Herald INTERNATIONAL Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper | Paris, Saturday-Sunday, October 4-5, 1997 | No. 35,643

TODAY: MONEY Index Investing Page 18

In Thailand, Doubts Over IMF Rescue Plan

A Top Official Says Country Will Consider Turning to Foreign Banks for More Cash

By Thomas Crampton
Special to the Herald Tribune

BANGKOK — A senior Thai official, acknowledging faltering confidence and worsening economic conditions in his country, said Friday that Thailand may be forced to seek help from foreign banks.

The comments by Siri Ganjarerndee, a deputy governor of the Bank of Thailand, marked the first time a top official had suggested that the country's $17.2 billion package from the International Monetary Fund would not be sufficient to pull Thailand out of its deepening economic crisis.

Mr. Siri, speaking at a business conference, said the central bank would consider establishing co-financing arrangements with foreign commercial banks to raise cash for companies weakened by Thailand's economic downturn and financial crisis.

After a decade of aggressive economic expansion achieved with borrowed money, Thailand's private sector faces a severe financial crunch as foreign institutions refuse to extend them new credit or renew their existing loans.

Mr. Siri spoke as the Indonesian rupiah plunged 9 percent to an all-time low against the U.S. dollar, one of the biggest one-day drops since Southeast Asia's currency market turmoil began in July. Indonesia's already battered stock market fell nearly 4 percent. (Page 11)

Other currencies in the region were relatively sheltered from the rupiah's plunge, with the exception of the Malaysian ringgit, which fell 2 percent.

Mr. Siri said that "the conditions are a bit worse" than when the IMF rescue package was announced in early August. "The most urgent of all agendas is to restore financial sector confidence," he said.

If foreign institutions do not start to roll over, or renew, loans, corporate defaults will begin and Thailand may be forced to declare a debt moratorium, analysts at the conference said Friday.

"The IMF financing package was based on three assumptions," Mr. Siri said. "The assumption we made on short-term debt rollover may have been a bit too optimistic."

Thailand's current-account deficit and level of foreign reserves were in line with expectations, said Mr. Siri, the bank's senior assistant governor.

To inject needed cash, Mr. Siri said the central bank would look into a co-financing package with foreign commercial banks. "The IMF would not be happy if we looked to raise money in the market, therefore we will look to raise it with the private sector," Mr. Siri said at the conference, which was organized by The Economist group.

A senior foreign banker at the conference who asked not to be identified said that commercial banks would very likely welcome such a proposal.

Thai companies owe about $73 billion

See THAIS, Page 4

Kevin Cooper/The Associated Press

Attorney General Janet Reno will step up the Gore inquiry.

Gore Probe To Move to Next Phase

Reno Orders Inquiry On Funds Expanded

By David Johnston
New York Times Service

WASHINGTON — Attorney General Janet Reno announced Friday that the Justice Department would expand its inquiry of Vice President Al Gore's fund-raising telephone calls, moving to the next phase in the process of determining whether to seek an independent prosecutor.

The attorney general also rejected the need for an independent prosecutor to investigate other White House fund-raising practices involving President Bill Clinton — including coffees with Mr. Clinton and stays in the Lincoln bedroom for top Democratic donors, government officials said.

Her decisions were contained in a letter Friday to House Republicans who have demanded for months that she seek the independent counsel and in a brief filing with a special three-judge panel of the U.S. Court of Appeals.

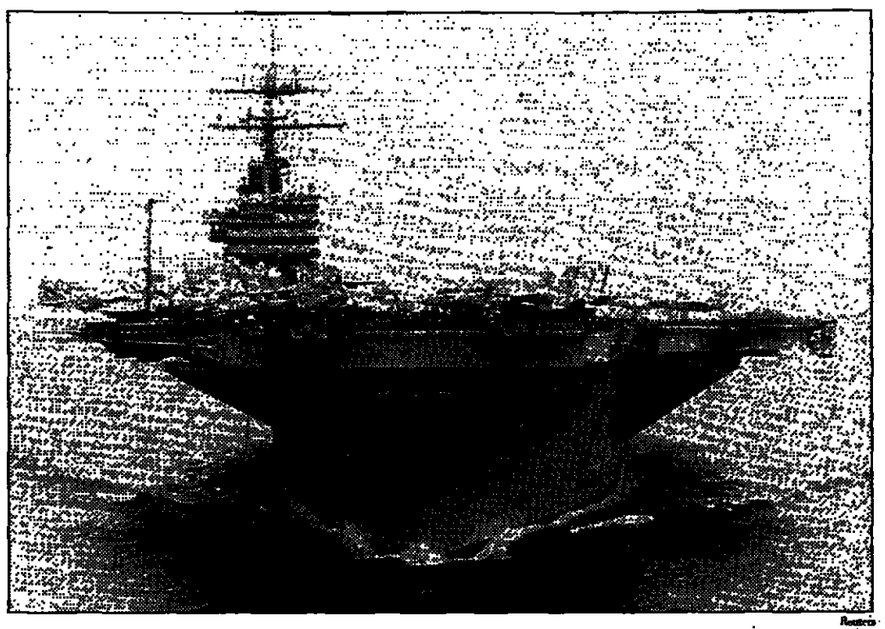
While it remained uncertain whether she would ultimately make a request for an independent prosecutor, the decision took the Justice Department one step closer to it.

The letter to Republican leaders did not say whether she would undertake a similar expansion of the investigation into Mr. Clinton's telephone solicitations, the officials said. His calls are now the subject of a 30-day initial review, and Ms. Reno must decide whether to expand that inquiry by Oct. 15.

Ms. Reno's decision, although not unexpected, was a setback for the Clinton administration and came at a time when Mr. Clinton and Mr. Gore have been trying to shift focus of the campaign-finance debate away from themselves and toward Republican opposition to a bill languishing in Congress that would change some political fund-raising rules.

Still, her decision to widen the inquiry of Mr. Gore's telephone solicitations was unlikely to dampen the furor in Congress, where Republicans have demanded for months that Ms. Reno appoint an independent prosecutor to examine the fund-raising practices

See GORE, Page 4



Reuters

The U.S. aircraft carrier Nimitz, which is steaming toward the Gulf, carries about 50 warplanes.

NATO Sees Muslim Attack in Bosnia

Secret Arms Buildup, It Says, Is Shifting the Military Balance

By Chris Hedges
New York Times Service

SARAJEVO, Bosnia-Herzegovina — The Muslim-led government in Sarajevo is intensifying a clandestine program to arm and train its military, senior NATO officials contend.

The officials said the Muslims are close to — or may have already achieved — the ability to mount a crushing offensive against the ethnic Serbs' region of Bosnia.

"The question no longer is if the Muslims will attack the Bosnian Serbs, but when," a senior alliance commander said. "The only way to prevent such an attack at this point, is for the peacekeeping mission to extend its mandate."

The alliance officials were united in favoring an extension of the peacekeepers' mandate. None of them suggested that the Sarajevo government would attempt a military offensive if peacekeeping troops were still in place. NATO troops are scheduled to leave in June, but the Clinton administration, recognizing the slow pace of reconciliation in Bosnia, has joined other members of the North Atlantic Treaty Organization in favoring an extension of the peace force, which includes American soldiers.

Opposition in the U.S. Congress, the strength of which has yet to be tested, appears to be the only obstacle to continuing the peacekeepers' presence. The officials see this presence as the best chance of averting a flare-up of the civil war that devastated Bosnia from 1992 to 1995.

It appeared that the officials' willingness to talk about the Muslim buildup was an attempt to influence the debate under way in Congress.

NATO aside, all other factors point toward renewed military confrontation.

The officials noted that while the Muslims were busy building a formidable military machine, the Bosnian Serbs' army has been imploding under the

See BOSNIA, Page 4

Karadzic capture looks doubtful. Page 2.

U.S. Navy Carrier Rushes to Gulf After Iran's Raids In Southern Iraq

Call at Singapore Canceled, Apparently to Emphasize Washington's Earlier Warning

The Associated Press

WASHINGTON — The aircraft carrier Nimitz has been ordered to skip a port call at Singapore in order to get to the Gulf ahead of schedule, U.S. officials said Friday.

The change of plans apparently was linked to U.S. warnings to Iran this week not to repeat its cross-border air attacks into southern Iraq. U.S. warplanes based in Bahrain and Saudi Arabia are patrolling the skies over southern Iraq to enforce a "no-flight" zone created after the 1991 Gulf War.

The Nimitz, with a regular complement of fighter aircraft aboard, was scheduled to be on station in the Gulf later this month. It was ordered to skip the Singapore visit to arrive four or five days earlier, said a Pentagon official who spoke on condition of anonymity.

On Tuesday, President Bill Clinton's administration said it had put Iran on notice that, if its pilots again intruded into air space over southern Iraq, they might be shot down.

Iranian rebels at bases in southern Iraq said they were attacked by Iranian planes Monday.

Ken Bacon, the Defense Department spokesman, said Tuesday that "we made it clear to Iran that flights such as the one they made" Monday "complicate the enforcement of the no-fly zone."

He said that message had been communicated to Iran through British diplomatic channels.

In the attack Monday, Iranian warplanes struck a rebel base near the city of Kut, 170 kilometers (105 miles) southeast of Baghdad. Kut is within the no-flight zone that the United States designated to prevent Iraqi attacks on Iraqi Shiite rebels.

Mr. Bacon said the Iranian planes had encountered no immediate Iraqi resistance, although several hours later, Iraqi MiG-21 and MiG-23 fighters were launched — also violating the no-flight zone. He did not say why the Iraqi planes had not been shot down.

The last U.S. air-to-air encounter with a hostile aircraft in the no-flight zone took place in 1993, Mr. Bacon said.

Ramos Challenger: B-Film Actor With Charm

By Seth Mydans
New York Times Service

MANILA — His biggest accomplishment as a senator was passage of a bill to protect the water buffalo.

His single foray into literature — together with his ghostwriters — is a compilation of his malapropisms entitled "How the Speak English Without Really Trial."

His proudest honor is the receipt of five best-actor awards for B-movie portrayals of swaggering tough guys.

Vice President Joseph Estrada, wildly popular with movie fans around the country, is the front-runner to become the next president of the Philippines. And as such, he has caused the biggest crisis in the presidency of Fidel Ramos.

On Sept. 21, hundreds of thousands of Filipinos held the largest political rally in nearly a decade to oppose a possible attempt by Mr. Ramos to amend the Constitution and cling to office when his six-year term ends next June.

But the country's political and business establishment was horrified to realize that this hard-drinking film-land heavy who mangles his English and never graduated from college might be their new president.

The only politician who could stop Mr. Estrada seemed to be Mr. Ramos.

"The people around him thought I was getting too popular," Mr. Estrada, 60, said in an interview the other day.

Mr. Ramos has been highly regarded as a president who has brought the nation its first taste of prosperity in decades. But Filipinos rose up in anger at what they saw as his attempt to tamper with their hard-won democratic system.

Now that Mr. Ramos has bowed to the public outcry and vowed not to run again, the road to the presidency looks wide open for Mr. Estrada, known to everyone by the nickname "Erap" — a play on the Tagalog word "pare," meaning friend.

There are as many as 12 other possible candidates in the election in May, but none of them approaches Mr. Estrada's popularity in national polls.

In a country in which politics is the primary form of entertainment, the most common complaint about Mr. Ramos had been that he was boring. Mr. Estrada, at least, would be colorful.

Overweight, mustachioed, with a slick Elvis Presley hairdo and a Lucky Strike cigarette in his hand, he makes little attempt at *gravitas* and seems to find government to be a good joke.

"Why do we pass all these laws when nobody follows them?" he once asked in the Senate chamber.

See MANILA, Page 4

AGENDA

U.S. Space Shuttle Uncouples From Mir

JOHNSON SPACE CENTER, Texas (Reuters) — The space shuttle Atlantis uncoupled from Russia's Mir space station Friday, leaving behind the American astronaut David Wolf for a four-month stay.

The separation was nearly two hours later than planned to allow the Mir crew to finish last-minute tests on a recently installed electronics box.

The shuttle spent six days moored at the Russian space outpost for an exchange of cargo and crew. Dr. Wolf, 41, joined the Mir crew, replacing NASA's Michael Foale, who spent four-and-a-half months aboard the station.

The Dollar

New York	Friday @ 4 P.M.	previous close
DM	1.756	1.773
Pound	1.616	1.6159
Yen	122.095	121.605
FF	5.903	5.958

The Dow

	Friday close	previous close
+11.05	8038.58	8027.53

S&P 500

change	Friday @ 4 P.M.	previous close
+4.57	965.03	960.46

Quakes Rock Umbria

A new series of earthquakes hit central Italy on Friday, injuring at least 6 people and causing additional damage in areas hard hit by temblors a week ago. The basilica of St. Francis at Assisi was shaken again. Page. 4.

Books ..... Page 9.
Crossword ..... Page 15.
Opinion ..... Page 6.
Sports ..... Pages 20-21.

The IHT on-line www.iht.com

Michel Lipchitz/The Associated Press

HOMEWARD — Arm bandaged, Trevor Rees Jones, the only survivor of the crash that killed Diana, Princess of Wales, boarding a helicopter in Paris after leaving a hospital Friday. In London, Diana's biographer defended releasing taped interviews with the princess. Page 3.

Israel 'Regrets' Canada Recall Of Envoy After Jordan Arrests

Reuters

JERUSALEM — Israel on Friday expressed "regret" over Canada's recall of its ambassador following the arrest of two men with forged Canadian passports in Jordan after an attack on a leader of the Islamic movement Hamas.

"The spokesman of the Foreign Ministry expressed his regret over the Canadian announcement and stressed Israel's desire to maintain friendly relations with Canada," a ministry statement said.

The Canadian foreign minister, Lloyd Axworthy, said Thursday that the envoy had been recalled for "immediate consultations" and that Ottawa took "great exception" to the use of false Canadian documents.

Jordan said it was questioning two Canadian passport holders who were arrested after an attack a week ago on Khaled Meshal, political chief of Hamas, which has been accused of suicide bombings in Israel.

Hamas said the attack was a bungled assassination attempt by Mossad, the Israeli secret service organization.

Israel has refused to comment on the alleged assassination attempt, but Hamas leaders and analysts in Israel said the trail led to Mossad.

"It has all the hallmarks of an Israeli operation," said Benny Morris, who co-wrote a book detailing Israel's security operations. "It's probably the worst publicly known bungle by the Mossad ever. It's the worst because this operation should never have taken place."

See MOSSAD, Page 4

Barclays Draws the Curtain on Investment Banking

By Tom Buerkle
International Herald Tribune

LONDON — Like a poker player losing nerve as the ante is upped to prohibitive heights, Barclays Bank said Friday that it would sell the bulk of its securities business rather than spend the billions of dollars needed to challenge the giant U.S. firms.

The decision by Britain's top home-grown player to throw in the towel in the global securities business provided a timely and illustrative contrast to the $9 billion merger last week that is to create Salomon Smith Barney.

Wall Street's leading securities firms now tower over almost all of the investment-banking hopefuls in London, Frankfurt and Tokyo, analysts said.

Fueled by record profits from the extraordinary bull market in U.S. equities, reinforced by deals such as Salomon Smith Barney and the earlier merger of Morgan Stanley and Dean Witter, and boasting unparalleled technological capability and global reach, the American firms now appear unassailable to all but their most determined, deep-pocketed rivals.

"It just makes it hard to take them on face to face," said Martin Taylor, Barclays' chief executive.

Barclays' move comes a few months after a blow to the aspirations of a rival, National Westminster Bank. NatWest fired the head of its securities arm in June after the division lost £77 million ($124.4 million) on bungled options contracts, and analysts have been expecting the bank to make sharp cutbacks.

"It does suggest that British banks have given up the ghost on investment banking," said Kathryn Newton at UBS Securities' research unit. "They found it very difficult to break into the U.S. market."

The latest retreat leaves Deutsche Morgan Grenfell, UBS Securities and SBC Warburg as Europe's top competitors with global ambitions. These banks have the capital resources, the investment-banking tradition and the relatively patient shareholders required to stay in the race.

None of them were expected to bid for the Barclays business, however, because it lacks the vital U.S. presence needed to compete directly with Wall Street's titans.

Speculation focused instead on Commerzbank, the No. 3 German bank, which lacks the London presence held by Deutsche Bank and Dresdner Bank, owner of Kleinwort Benson. Commerzbank announced in September that it planned to raise 1.5 billion Deutsche marks ($848.2 million) for an acquisition.

"The likelihood of Commerzbank taking a good look and stepping up is pretty good," Mark Hoge, an analyst at Credit Suisse First Boston, said to Reuters.

Other potential European bidders include ING

See BARCLAYS, Page 4

Newsstand Prices

Andorra	10.00 FF	Lebanon	LL 3,000
Antilles	12.50 FF	Morocco	16 Dh
Cameroon	1,600 CFA	Qatar	10.00 QR
Egypt	£E 5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1,100 CFA	Senegal	1,100 CFA
Italy	2,800 Lire	Spain	225 Ptas
Ivory Coast	1,250 CFA	Tunisia	1,250 Din
Jordan	1,250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Mil. (Eur.)	$1.20

هكذا من الأصل

Vigilant Karadzic Guards Dim Outlook for Capture

CIA Surveillance Team in Bosnia Is Detected

By James Risen
Los Angeles Times

WASHINGTON — Bosnian Serbs recently confronted members of a CIA surveillance team monitoring Radovan Karadzic, the war-crimes suspect, and their alert response aroused concern in Washington as to whether the hard-line Serbian factional leader can be arrested without violence, U.S. sources have said.

Apparently, no one was hurt in the confrontation in Pale, where Mr. Karadzic lives, and the sources said that his bodyguards might not have realized that those keeping an eye on Mr. Karadzic were from the Central Intelligence Agency.

A White House official has confirmed that there was an "incident" in the Pale area in recent days, but indicated that it was not a result of an attempt by U.S. or NATO troops to seize Mr. Karadzic.

U.S. intelligence sources said undercover surveillance of Mr. Karadzic, often from long range, has been under way for an extended period. But Pale is such a small village, they added, that it is difficult for surveillance teams to go undetected.

The incident occurred as the U.S. intelligence community was under mounting pressure from Secretary of State Madeleine Albright and other administration officials to apprehend Mr. Karadzic.

The fiery nationalist is still an important power figure in Serbian-controlled territory although he no longer holds a formal office.

The U.S. intelligence sources complained that Secretary of State Albright and Robert Gelbard, who is the chief U.S. envoy to the Balkans, seem increasingly impatient that NATO forces have been wary of attempting to bring Mr. Karadzic to justice.

U.S. Special Forces and the CIA have been planning since early this year to capture Mr. Karadzic, intelligence officials said.

Once arrested, he would be taken to The Hague to stand trial before the international tribunal investigating and prosecuting crimes committed during the Bosnian civil war.

In July, a British elite unit went after two lesser-known Bosnian Serbs indicted on suspicion of war crimes — killing one and successfully seizing the second.

But the Pentagon and the CIA have been reluctant to attempt an operation to capture such a well-protected target as Mr. Karadzic, who can count on certain and vigorous support from the ethnic Serbian police and military units.

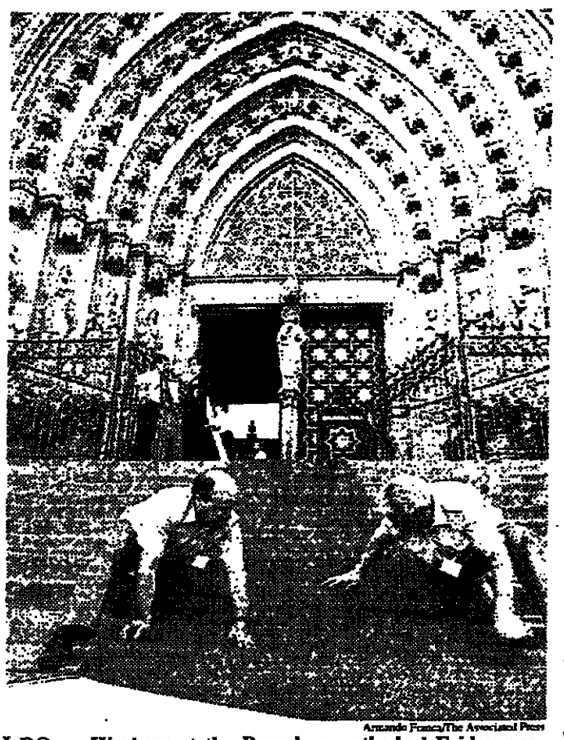
Well-placed sources said U.S. military commanders and intelligence officials believed there was no way to capture Mr. Karadzic without both sides to the conflict suffering casualties.

But with U.S. troops scheduled to be withdrawn from Bosnia in June 1998, the drumbeat has grown louder in the U.S. government to remove Mr. Karadzic from his stronghold while there is still a large U.S. military presence in the region.

At this point, Congress is reluctant to extend the deployment of U.S. troops with the NATO peacekeeping force in Bosnia.

Under provisions of the 1995 peace agreement, the Bosnian Serbs were supposed to turn over Mr. Karadzic and others indicted for war crimes. The continuing freedom of Mr. Karadzic and his former military commander, General Ratko Mladic, is considered by the Clinton administration to be a major obstacle to peace.

Officially out of office since last year, Mr. Karadzic is now involved in a struggle with the Bosnian Serb president, Biljana Plavsic — a struggle that underscores the degree to which he has retained his power in the region.



Armando Franca/The Associated Press

I DO — Workers at the Barcelona cathedral Friday preparing for the wedding of Spain's Princess Cristina, the second daughter of King Juan Carlos, and Inaki Urdangarin.

BRIEFLY

Chirac Hopes Envoys Return Soon to Iran

CHAMBERY, France — President Jacques Chirac said Friday that he hoped a dispute blocking the return of European Union ambassadors to Tehran could be solved "in the next few days."

Mr. Chirac said he and the Italian prime minister, Romano Prodi, had agreed to re-examine the issue "so that the ambassadors as a group could return as soon as possible to their posts." In July, the French oil company Total signed a $2 billion natural gas deal with Iran. The accord has the tacit approval of the French government.

But Mr. Chirac said before Union ambassadors return to Tehran there must be a solution to Iran's demand that Germany's ambassador be the last EU envoy to return. *(Reuters)*

Belarus Denounces Russian Bureaucrats

MINSK, Belarus — President Alexander Lukashenko lashed back at Russia on Friday, denouncing "Moscow bureaucrats" whom he blamed for the Russian president's decision to bar him from visiting Russia.

In his first public break with the hard-line Belarussian leader, President Boris Yeltsin canceled Mr. Lukashenko's visit to Russia on Thursday, saying he would not be welcome until he frees a jailed Russian journalist.

Mr. Lukashenko said the move "contradicts the spirit of relations between the two presidents and the strategy of developing relations between the people of Russia and Belarus." *(AP)*

Blair Weighs Reform Of Welfare Systems

BRIGHTON, England — Prime Minister Tony Blair wound up his Labour Party's annual conference Friday with a warning that unpopular decisions lay ahead for his government.

Mr. Blair has appointed Frank Field, a member of Parliament with a record of drafting novel solutions to welfare problems, as a junior social security minister with a brief to "think the unthinkable."

The Times newspaper quoted a government source as saying Mr. Field was looking at a plan to have all workers pay into a national fund to finance nursing care for growing number of elderly.

"The welfare state of 1945 cannot be the same as the welfare state of 2000," The prime minister wrote in The Mirror newspaper. *(Reuters)*

Recalling '93 Clash, Yeltsin Warns His Foes

The Associated Press

MOSCOW — Speaking on the fourth anniversary of a violent showdown with Parliament, President Boris Yeltsin denounced Russian lawmakers on Friday for dragging their feet on key reforms.

He hinted that he might disband the State Duma, the lower house of Parliament.

"People's patience, the president's patience has its limits," Mr. Yeltsin warned lawmakers in a nationwide radio address. "It's too expensive a luxury for people to pay for your irresponsibility."

In September 1993, Mr. Yeltsin moved to disband the Soviet-era Parliament. Some members refused to leave the White House, the main building of the Russian government.

When armed supporters of the holdout lawmakers attacked government buildings, Mr. Yeltsin struck back with troops and tanks.

About 200 people were killed in the shooting on Oct. 3-4, which included tank shells fired pointblank into the White House.

"The confrontation between the lawmakers and the executive power then led to bloodshed," Mr. Yeltsin grimly reminded legislators.

In his speech, Mr. Yeltsin criticized the Duma for its hard-line position against private ownership of land.

Mr. Yeltsin wants to expand the private property market. He recently vetoed the Land Code, a proposed law that would have limited private ownership of land and banned altogether the sale of farmland.

But the Duma, which is still dominated by old-style Communists and other hard-liners, overturned his veto.

"Before passing the Land Code, they should have looked into the Russian Constitution," which proclaims the right to own land, Mr. Yeltsin declared.

He also lashed out at the Duma for its rejection of the government's welfare reform and for its criticism of the Kremlin's foreign policies and draft 1998 budget.

Budget hearings are scheduled to begin next week. But Communists and their allies have already said they would not accept the austere budget plan, which sharply curtails subsidies to regions and industries.

"Judging the Duma's feelings, we'll face a new round of confrontation between the Duma and the executive power," Mr. Yeltsin said. "I've offered them a dialogue and accord. But they can't leave their ambitions behind."

Mr. Yeltsin did not specify what action he planned to take. But his remarks and other recent comments have suggested he might move again to disband the lower house.

The constitution gives the president the power to disband the Duma if lawmakers vote no confidence in the cabinet. Such a vote can be initiated by Prime Minister Viktor Chernomyrdin, Mr. Yeltsin's ally.

The leader of the diminished Communist Party, Gennadi Zyuganov, described Mr. Yeltsin's remarks as "blackmail and pressure."

Meanwhile, several hundred people gathered Friday near the Ostankino State Television Center in Moscow for a combination anti-government rally and memorial service for people killed in the 1993 fighting.

On a cold and drizzly day, Russian Orthodox priests chanted and mourners lit candles, while around them Communists traded angry remarks about Mr. Yeltsin's government and waved red Soviet-era flags and signs that proclaimed, "Yeltsin is a traitor" and "Long Live Soviet Russia."

"The current administration has robbed me of everything: my past, present and future," said Valeri Yermakov, a 56-year-old engineer.

Turks Report Iran and Syria Troop Buildup

Reuters

TUNCELI, Turkey — Turkey said Friday that Iran and Syria have massed troops near a Kurdish enclave in northern Iraq in an apparent response to a Turkish military offensive against rebel Kurds in the area.

An army officer said officials had observed "military movements in Iran and Syria toward their borders" with Turkey. He gave no indication of the size of the Iranian and Syrian deployments, but said they mostly consisted of armored units. "It cannot be said that Turkey is in danger," he said.

The Anatolian News Agency said earlier that there was a buildup of Syrian armored units near a triangle of territory where Syria, Turkey and northern Iraq meet. It said the Syrian troops were 30 kilometers (20 miles) from the Turkish border. The agency also said Iranian troops had been deployed on Iran's border with northern Iraq.

Turkish forces have been fighting Kurdish Workers Party guerrillas in northern Iraq for almost two weeks.

A spokesman for the London-based Iraqi opposition group, Iraqi National Congress, confirmed the deployments, which partly ring a mountainous Kurdish-held enclave that broke from Baghdad after the 1991 Gulf War.

The agency said Turkish forces, aided by an Iraqi Kurdish militia, had killed 415 Kurdish guerrillas.

Fighters from the Kurdish Workers Party, thought to have infiltrated into Turkey from Iran, killed five policemen in a rocket attack in eastern Turkey, a security official said Friday.

Ankara often accuses Iran and Syria of aiding the Kurdish guerrillas in their fight for self-rule in southeast Turkey.

Damascus and Tehran deny helping the rebels.

UN Agency Demands Iraq Open Sites

Agence France-Presse

VIENNA — The International Atomic Energy Agency demanded Friday that Iraq immediately give its inspectors information on suspected nuclear arms sites.

In a statement, approved by 75 countries, the agency urged Baghdad to hand over "without further delay, currently undisclosed nuclear weapon-related equipment, material and information."

TRAVEL UPDATE

More Noise for Schiphol Airport

AMSTERDAM (AP) — As a way to accommodate its growth, Amsterdam's Schiphol Airport — one of Europe's busiest — won a reprieve from the Dutch government Friday to exceed noise limits.

The decision came after months of debate over the future of the airport, which has been squeezed between anti-noise activists and international airlines supporting its growth.

The government said the airport will be allowed to exceed the legal noise limits during the day, but two of its four runways will be closed two hours earlier to reduce night flight noises.

Alpine TGV Link Gathers Steam

CHAMBERY, France (AFP) — Plans for a high-speed TGV train link to carry goods and passengers between Lyon and Turin won strong support Friday at a French-Italian summit meeting here.

President Jacques Chirac of France said the project would offer "a lot of advantages concerning traffic circulation and in the fight against pollution."

A study of the project was approved Sept. 15 by an intergovernmental committee.

U.S. travelers to Cuba have been warned by the U.S. State Department to be vigilant in light of recent bombings at tourist sites in Havana. The department said visitors should be very careful in public areas and be alert for any unattended packages or bags. *(Reuters)*

Court Doubles Fines on Spain Over Toxic Oil

New York Times Service

MADRID — A high court has held the government responsible for not preventing the sale in 1981 of toxic cooking oil that killed 700 Spaniards and poisoned about 30,000 others, and has doubled the damage payments a lower court assigned to the state last year. They could now exceed $2 billion.

The ruling Thursday by the Supreme Court was met with satisfaction by the victims' associations, which appealed a lower-court ruling that they considered too lenient. About a third of the 30,000 victims have received $500 million in state aid to date.

Carlos Vila, a lawyer for the victims, predicted the new payments would begin within months.

The government can appeal to the Constitutional Court, the highest in the land, if it can show a violation of constitutional rights. The prime minister's spokesman had no immediate comment.

The court also convicted two former government officials of negligence.

The toxic oil was sold in 1981 by traveling salesmen who offered big discounts on what they said was olive oil.

Correction

The maker of Indonesia's national car, the Timor, was incorrectly identified in the Sept. 25 issue. It is assembled by PT Timor Putra Nasional.

UNIVERSITY DEGREE
BACHELOR'S • MASTER'S • DOCTORATE
For Work, Life and Academic Experience
Through Convenient Home Study
(808) 597-1909 EXT. 23
FAX: (310) 471-6456
http://www.pwu-hi.edu
Fax or send detailed resume for
FREE EVALUATION
Pacific Western University
1210 Auahi Street, Dept. 23
Honolulu, HI 96814-4922

Harry's Bar ®
Est. 1911
"the original"
Just tell the taxi driver,
"Sank roo doe noo" ®
5, rue Daunou, Paris (Opéra)
Tel.: (1) 42.61.71.14

Have Stocks Topped ?
Stocks Will Have a Bear Market.
If you share the opinion it's time to look at alternative investments call for my free currency trading information package today.
Peter G. Catranis
Forex & Futures Specialist
SUPERIOR Selection of Managed Accounts
OUTSTANDING Global Currency Analysis
EXCEPTIONAL Execution Forex or Futures
MINIMUMS $10,000 to $5,000,000 (USD)
COMMISSION 2-5 FX Spreads Futures $12-$38
For My Complimentary Services Guide, Latest Research Reports, Opinions and Performance Records Call (24 hours) Toll-Free.

Australia	1800125944	Belgium	080015880	Brazil	0008118215513
Colombia	980120837	Denmark	80016132	Finland	08001100064
France	0800902248	Greece	00801192130 13	Germany	0130829888
Hong Kong	800967209	Israel	1771000102	Italy	167875928
Japan	00311226609	Korea	0038110243	Luxembourg	080045552
Mexico	9580058754178	Netherlands	0800220657	N. Zealand	0800441580
Portugal	0501126532	Singapore	8001202501	S.Africa	0800996337
Spain	900931607	Sweden	020793158	Switzerland	0800897233
Thailand	001800119218613	USA	8009945757	UK	0800968632

US-Toll Voice Line +714-376-8020 US-Toll Fax Line +714-376-8025

Have you been to
THE INTERMARKET
today?
Don't miss it. A lot happens there.

Reputations
A two part series exploring the real story behind the fascinating public lives of Aristotle Onassis and Coco Channel. Gripping profiles by acclaimed producers, using unearthed documents, footage and interviews.
WATCH SUNDAY 5 AND 12 OCTOBER 19:05 CET
BBC WORLD™
BBC World is a trademark of the British Broadcasting Corporation

See our
Residential Real Estate
every Friday in The Intermarket

WEATHER

Europe

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Algarve	26/79	19/66	c	27/80	17/62	r
Amsterdam	18/64	12/53	c	19/66	12/53	s
Ankara	18/61	4/39	r	15/59	2/35	pc
Athens	20/68	12/53	c	21/70	13/55	pc
Barcelona	24/75	16/61	s	24/75	17/62	pc
Belgrade	15/59	6/43	c	21/70	11/52	s
Berlin	13/55	8/46	sh	18/64	10/50	s
Brussels	19/66	12/53	c	19/66	12/53	s
Budapest	14/57	7/44	c	19/66	11/52	pc
Copenhagen	15/59	9/48	c	14/57	8/46	s
Costa Del Sol	28/82	20/68	c	26/79	19/66	r
Dublin	18/64	12/53	c	19/66	12/53	s
Edinburgh	17/62	13/53	sh	18/64	11/52	c
Florence	19/66	11/52	pc	23/73	15/59	pc
Frankfurt	14/57	9/48	r	19/66	8/46	s
Geneva	18/64	9/48	s	21/70	11/52	pc
Helsinki	8/46	6/43	c	7/44	-1/31	r
Istanbul	18/64	9/48	pc	17/62	9/48	pc
Kiev	8/46	2/35	sh	13/55	7/44	c
Las Palmas	23/73	19/66	c	24/75	19/66	pc
Lisbon	26/79	17/62	pc	24/75	17/62	sh
London	21/70	11/52	pc	21/70	13/55	s
Madrid	30/86	13/55	pc	27/80	13/55	pc
Mallorca	27/80	14/57	s	27/80	17/62	s
Milan	21/70	11/52	s	24/75	15/59	s
Moscow	6/43	3/37	r	7/44	4/39	pc
Munich	14/57	5/41	c	17/62	10/50	pc
Nice	23/73	16/61	s	24/75	18/64	s
Oslo	11/52	3/37	sh	9/48	2/35	pc
Paris	21/70	10/50	s	20/68	11/52	s
Prague	13/55	8/46	c	18/64	9/48	pc
Reykjavik	7/44	5/43	sh	9/48	3/37	r
Riga	9/48	6/46	r	9/48	3/37	c
Rome	22/71	13/55	pc	25/77	15/59	s
St. Petersburg	8/46	6/43	c	9/48	4/39	r
Stockholm	9/48	3/37	r	6/43	0/32	pc
Strasbourg	18/64	9/48	pc	21/70	13/55	s
Tallinn	8/46	6/46	sh	9/48	3/37	r
Tbilisi	23/73	14/57	c	19/66	11/52	r
Venice	18/64	10/50	pc	22/71	15/59	s
Vienna	16/61	8/46	c	19/66	11/52	s
Warsaw	12/53	6/43	sh	19/66	6/43	s
Zurich	16/61	9/48	pc	19/66	13/55	s

Middle East

Abu Dhabi	42/107	29/79	s	41/106	24/75	s
Beirut	23/73	18/64	pc	26/79	19/66	pc
Cairo	32/89	19/64	pc	31/88	17/62	pc
Damascus	27/80	10/50	s	27/80	11/52	s
Jerusalem	23/73	12/53	s	24/75	14/57	pc
Luxor	37/98	17/62	s	37/98	18/64	s
Riyadh	40/104	29/71	s	38/100	29/73	s

Africa

Algiers	32/89	18/64	s	29/84	18/64	pc
Cape Town	21/70	15/59	c	17/62	9/48	c
Casablanca	27/80	19/64	c	29/78	18/64	sh
Harare	26/79	9/48	s	24/75	12/53	pc
Lagos	29/84	23/73	pc	28/82	24/75	c
Nairobi	27/80	13/55	c	27/80	13/55	pc
Tunis	27/80	13/55	s	27/80	18/64	s

Forecast for Sunday through Tuesday, as provided by AccuWeather.

North America
Plenty of sunshine and unseasonably warm from the Southeast northward to New England Sunday through Tuesday. Windy and cool with showers Sunday and Monday in the Pacific Northwest; rainy Tuesday. Showers and thunderstorms crossing the northern Plains Sunday, then cooler early next week.

Europe
Some sunshine in London Sunday, but showers likely early next week, followed by cooler weather. Warm in Madrid and Rome with lots of sunshine. France will be warm Sunday, but showers are likely Monday; cooler Tuesday. Chilly across Scandinavia Sunday and Monday; a bit milder Tuesday.

Asia
Partly sunny, dry and pleasant in Beijing Sunday; cooler Monday and Tuesday. Mild in Shanghai, but there could be a shower or two. Some sunshine in Seoul Sunday and Monday, but a shower is possible Monday night or Tuesday. Dry and mild in Tokyo through the period.

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hot, W-Weather.

All maps, forecasts and data provided by AccuWeather, Inc. © 1997

Asia

	Today High C/F	Today Low C/F	W	Tomorrow High C/F	Tomorrow Low C/F	W
Almaty	25/77	9/48	s	23/73	11/52	s
Bali	31/88	21/70	pc	30/86	21/70	pc
Bangkok	33/89	24/75	r	33/89	25/77	c
Beijing	18/64	7/44	s	20/68	9/48	s
Bombay	30/86	21/70	s	29/84	21/70	s
Calcutta	29/84	21/70	pc	28/82	21/70	pc
Chiang Mai	31/88	21/70	c	30/86	22/71	c
Colombo	29/84	23/73	pc	28/82	23/73	c
Hanoi	30/86	23/73	r	29/84	24/75	r
Ho Chi Minh	31/88	23/73	t	30/86	25/77	t
Hong Kong	28/82	23/73	pc	28/82	23/73	pc
Islamabad	32/89	17/62	pc	32/89	15/59	t
Jakarta	30/86	23/73	t	30/86	23/73	pc
Karachi	37/99	24/75	s	34/93	23/73	s
K. Lumpur	31/88	22/71	r	31/88	23/73	r
K. Kinabalu	30/86	22/71	t	29/84	24/75	c
Manila	30/86	22/71	pc	31/88	24/75	pc
New Delhi	27/80	20/68	r	30/86	18/61	sh
Phnom Penh	30/86	23/73	t	29/84	25/77	t
Phuket	32/89	24/75	r	32/89	25/77	c
Rangoon	30/86	23/73	pc	29/84	23/73	c
Seoul	22/71	9/48	pc	19/66	8/46	sh
Shanghai	23/73	17/62	sh	22/71	14/57	pc
Singapore	29/84	21/70	r	30/86	23/73	pc
Taipei	29/84	23/73	pc	29/84	22/71	pc
Tokyo	23/73	23/73	r	26/79	22/71	c
Vientiane	31/88	21/70	sh	29/84	22/71	r

North America

Anchorage	7/44	-1/31	sn	6/43	-3/27	pc
Atlanta	28/82	17/62	pc	27/80	16/61	pc
Boston	18/64	13/55	pc	23/73	14/57	pc
Chicago	26/79	11/52	pc	26/79	13/55	pc
Dallas	31/88	17/62	s	29/84	17/62	pc
Denver	28/82	9/48	s	27/80	9/48	s
Detroit	26/79	12/53	sh	23/73	11/52	pc
Honolulu	31/88	22/71	pc	31/88	23/73	pc
Houston	31/88	19/66	s	29/84	19/66	pc
Los Angeles	31/88	18/64	s	30/86	18/64	s
Miami	31/88	22/71	t	30/86	24/75	pc
Minneapolis	21/70	11/52	s	23/73	9/48	pc
Montreal	18/64	13/55	sh	21/70	12/53	pc
Nassau	30/86	21/70	t	30/86	22/71	pc
New York	23/73	14/57	pc	26/79	14/57	pc
Orlando	30/86	20/68	t	30/86	20/68	pc
Phoenix	40/104	22/71	s	38/100	23/73	s
San Fran.	22/71	13/55	s	25/77	12/53	s
Seattle	19/66	9/48	sh	18/64	9/48	pc
Toronto	23/73	13/55	sh	20/68	13/55	pc
Vancouver	12/53	5/41	sh	9/48	2/35	pc
Washington	24/75	13/55	pc	27/80	14/57	s

Latin America

Buenos Aires	21/70	13/55	sh	19/66	9/48	pc
Caracas	29/84	21/70	pc	30/86	21/70	pc
Lima	21/70	17/62	c	23/73	18/64	pc
Mexico City	21/70	11/52	c	22/71	11/52	pc
Rio de Janeiro	34/75	20/68	pc	27/80	22/71	pc
Santiago	15/59	5/41	sh	15/59	1/34	pc

Oceania

Auckland	17/62	11/52	r	14/57	10/50	c
Sydney	17/62	9/48	pc	21/70	14/57	pc

One of the few predictable elements of travel.
The Leading Hotels of the World
Over 300 of the World's finest hotels in 68 countries.
Your Host Today
VITAL HOTEL ROYAL, SEEFELD, AUSTRIA

A two-month trial subscription.
Save up to 60%
Try a special, low cost 2-month trial subscription to the International Herald Tribune to enjoy delivery to your home or office every morning AND save up to 60% off the newsstand price.

COUNTRY/CURRENCY		2 MONTHS NEWSSTAND PRICE	2 MONTHS OFFER PRICE	DISCOUNT OFF COVER PRICE
AUSTRIA	ATS	1,456	650	55%
BELGIUM/LUXEMB.	BEF	3,380	1,350	60%
DENMARK	DKK	780	350	54%
FINLAND	FIM	624	310	50%
FRANCE	FF	520	210	60%
GERMANY	DEM	162	72	60%
GREAT BRITAIN	£	47	22	53%
HONG KONG	HKS	676	284	57%
ITALY	ITL	145,000	58,000	60%
JAPAN	¥	26,000	12,150	53%
MALAYSIA	RM	182	101	44%
NETHERLANDS	NLG	195	78	60%
NORWAY	NOK	832	390	53%
SINGAPORE	S$	146	82	43%
SPAIN	PTAS	11,700	5,000	57%
SWEDEN	SEK	832	350	58%
SWITZERLAND	CHF	166	66	60%
USA	$	78	43	45%

FOR OTHER COUNTRIES, PLEASE CONTACT YOUR NEAREST IHT OFFICE

Yes, I would like to start receiving the International Herald Tribune.
☐ My check is enclosed (payable to the IHT)
Charge my: ☐ Amex ☐ Diners ☐ VISA ☐ Access ☐ MasterCard ☐ Eurocard
For ex-US and Asian prices, credit cards will be charged in French Francs at current rates.
Card No: _____ Exp. Date: _____
Signature: _____
For business orders, indicate your VAT No: _____
(IHT VAT Number FR 47 732 021 126)
Mr/Mrs/Ms Family Name: _____
First Name: _____ Job Title: _____
Mailing Address: _____
City/Code: _____
Country: _____
Home Tel No: _____ Business Tel No. _____
E-Mail Address: _____
I get this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
☐ I do not wish to receive information from other carefully screened companies
4-10-97
Mail or fax to: International Herald Tribune
EUROPE, MIDDLE EAST & AFRICA
181 Ave. Charles de Gaulle, 92521 Neuilly Cedex, France
Fax: +33 1 41 43 92 10. Tel: +33 1 41 43 93 61
THE AMERICAS
850 Third Avenue, New York, N.Y. 10022-6275, USA
Fax: +1 212 755 8785 Tel. (toll free) 1-800-882-2884
ASIA
7/F Malaysia Bldg, 50 Gloucester Rd, Wanchai, Hong Kong
Fax: +852 2922 1199. Tel: +852 2922 1171
E-Mail: subs@iht.com Asia: subshk@ihthk.com
Offer valid for new subscribers only.
HA7M

Imprimé par Offprint, 73 rue de l'Évangile, 75018 Paris.

هكذا من الأصل

EU Says Call On Food Safety By U.S. Has Familiar Ring

Reuters

BRUSSELS — The European Commission on Friday welcomed President Bill Clinton's call for tighter safety standards on imported fruits and vegetables and said his proposal supported the commission's own defense of a European Union ban on U.S. and other meats containing hormones.

On Thursday, Mr. Clinton asked Congress for authority to ban fruit and vegetable imports that did not measure up to U.S. safety standards or that producer countries did not allow U.S. authorities to inspect. His request followed an outbreak last spring of hepatitis traced to imported strawberries.

European Union officials in Brussels said the position mirrored their own stance in a dispute with Washington, currently under appeal at the World Trade Organization, over hormone-treated beef.

"The U.S. seems to be taking the position the EU has adopted at the WTO hormone panel," a commission spokesman, Gerard Kiely, said.

The EU and the United States have been locked in a battle over Brussels' refusal to allow beef treated with hormones into the 15-nation bloc, a move it says is justified on safety grounds. The eight-year-old ban mainly affects imports from the United States, where the meat industry says it has lost as much as $250 million a year in sales in Europe.

The Geneva-based WTO issued a ruling in July backing the United States. The EU appealed in September.

Ricardo Moraes/The Associated Press

A worker sweeping the streets in Rio de Janeiro in front of a poster welcoming Pope John Paul II.

Pope Assails Brazil's Rich-Poor Gap

The Associated Press

RIO DE JANEIRO — Pope John Paul II condemned the wide gap between rich and poor in Brazil on the first day of his visit to the largest Roman Catholic country in the world.

Speaking Thursday to a enthusiastic crowd in Rio that included the Brazilian president, Fernando Henrique Cardoso, the 77-year-old pontiff wasted no time in offering his diagnosis of Brazil's social ills.

"The unequal and unfair distribution of wealth, the cause of conflicts in the city and the countryside," he said, along with the problem of unprotected children in big cities, represented an enormous challenge.

The distribution of wealth in Brazil is one of the most unequal in the world: 10 percent of the population holds 65 percent of the country's wealth, and the richest 20 percent own 88 percent of the land. In comparison, the poorest 40 percent of the population holds 12 percent of Brazil's riches.

After delivering the first of eight speeches he is scheduled to give during his four-day stay, Pope John Paul flew by helicopter to the city center for a three-kilometer tour of Rio's main avenues.

Winnie Mandela Presents Witnesses for Her Defense

She Says 5 Members of Entourage in 1980s Are Set to Testify She Isn't Guilty of Murder

By Suzanne Daley
New York Times Service

JOHANNESBURG — A week after being questioned during closed hearings of South Africa's Truth and Reconciliation Commission, President Nelson Mandela's former wife, Winnie Madikizela-Mandela, lashed back, producing five witnesses she said would prove she was not guilty of murder or any acts of violence.

At a news conference Thursday, Mrs. Madikizela-Mandela challenged reporters to interview the witnesses, who sat on both sides of her. But she refused to let any of the reporters who were present direct any questions at them. She insisted instead that the reporters would have to track down the men, who were members of her entourage in the late 1980s, on their own time and at the convenience of the witnesses.

In recent weeks, an embattled Mrs. Madikizela-Mandela has faced a host of new allegations about her involvement in the death of a 14-year-old activist in 1988, and it has become clear that the commission, charged with investigating atrocities of the past, is questioning her about at least seven other deaths.

But none of that has stopped Mrs. Madikizela-Mandela from entering the race to become deputy president of the African National Congress, the country's governing party. After President Mandela retires in 1999, that would give Mrs. Madikizela-Mandela a strong claim to become the country's deputy president, a situation that could be extremely embarrassing to the party.

Indeed, Thabo Mbeki, the current deputy president and Mr. Mandela's likely successor, appears to be taking steps to diminish that possibility.

In an interview published Thursday in a Johannesburg-based weekly magazine, the Financial Mail, Mr. Mbeki said it "should not necessarily follow that the deputy president of the ANC become the deputy president of the country."

He said that "as I hear opinion in the ANC, the general feeling is that the president should be able to choose his deputy." He seemed to suggest that in the future, the deputy president of the ANC might be relegated to dealing with party business and not hold any government job.

Mrs. Madikizela-Mandela, despite having been convicted in 1991 of kidnapping the 14-year-old activist, James (Stompie) Moeketsi Seipei, remains extremely popular among South Africa's poorest and most militant citizens. Although she has often been at odds with her former husband and his inner circle, she is expected to at least make a fair showing in her race for deputy presidency of the ANC.

In recent years, she seems to have lurched from one controversy to another — from being dismissed from a cabinet post for insubordination to racking up huge debts. But recently, it is her behavior in the late 1980s that has been the focus of attention.

A former member of her entourage, Katiza Cebekhulu, appears prepared to testify that he saw Mrs. Madikizela-Mandela stab Stompei Seipei, whose body was found in 1989. A leader of Mrs. Madikizela-Mandela's bodyguards, known as the Mandela United Football Club, was convicted of his death.

Mr. Cebekhulu, who has been in hiding in England, also says that Mrs. Madikizela-Mandela ordered the killing of a Soweto doctor who would not cooperate with a plan to embarrass a white priest by accusing him of homosexuality.

Several other members of her entourage who have been charged or are serving sentences for various crimes have said they intend to incriminate her when they apply for amnesty from the Truth Commission.

Rights Team Denounces Congo's Curb On Inquiry

Agence France-Presse

KINSHASA, Congo — A UN human rights team on Friday denounced efforts by the Congolese government to prevent it from investigating whether massacres had been committed by President Laurent Kabila's troops.

In a statement issued before his departure for New York, the chief of the UN mission, Atsu-Koffi Amega, charged that the terms set by Mr. Kabila's government, formed since he seized power in the former Zaire in May, were "contrary" to the UN mandate.

Mr. Amega said Secretary-General Kofi Annan had "envisaged an independent inquiry across the whole territory" of the Congo into the alleged slaughter of Rwandan Hutu refugees who had been caught up in the Zairian uprising.

The UN team arrived in Kinshasa on Aug. 24 to investigate reports that mass graves of massacred refugees were hidden in eastern Congo. But the government repeatedly denied the investigators permission to travel to the interior to begin work.

Mr. Annan ordered the four senior members of the mission to return Friday to UN headquarters in New York for consultations.

■ **U.S. May Send Mission**

John M. Goshko of The Washington Post reported earlier from Washington:

The United States is considering sending a high-level mission to Congo in an effort to break the six-week deadlock between Mr. Kabila and the UN human rights team.

Sources said that if Washington goes ahead with the plan, the mission would be headed by a special envoy with strong expertise in African affairs, possibly a member of Congress or someone not serving in government. They said a decision was expected from Washington in one or two days.

The sources said Mr. Annan has agreed to give the mission two weeks to see what it can accomplish before the United Nations determines whether to withdraw the rest of its investigating team.

The U.S. envoy would not only seek talks with Mr. Kabila, but also try to visit Uganda, Angola and Rwanda, which helped Mr. Kabila's rebels overthrow President Mobutu Sese Seko. The U.S. mission would seek their aid in influencing Mr. Kabila.

The U.S. idea arose in discussions between U.S. officials and Mr. Annan, whose difficulties in gauging Mr. Kabila's intentions about cooperating with the investigation caused him to order the team leaders to New York.

CNN Halts Global-Warming Ad Blitz

By Howard Kurtz
Washington Post Service

WASHINGTON — A blizzard of industry ads on global warming has been airing on CNN, assailing a proposed UN treaty that would clamp down on fuel emissions.

That is, until Thursday, when the network founded by Ted Turner abruptly halted the million-dollar campaign. Mr. Turner is a passionate environmentalist who has given speeches around the world on global warming.

Ben Goddard, the Los Angeles adman who created the spots, said a CNN sales executive told him he was acting on orders from Mr. Turner, the No. 2 official of the parent company, Time Warner Inc., and Tom Johnson, chairman of the CNN News Group.

A CNN spokesman, Steve Haworth, said that "it has been our policy for years not to run ads on controversial news stories that we are covering."

He added, "Our principles are worth more than the ad dollars."

But Mr. Goddard noted that CNN aired $12 million worth of industry-backed "Harry and Louise" ads during the health-care debate during the first Clinton administration, which the media covered far more intensively. The ads, created by Mr. Goddard's agency, Goddard Claussen, helped defeat the president's health care reform plan.

As recently as last month, Mr. Turner talked about global warming on CNN. "It's hotter than hell out there," he said.

But Mr. Haworth dismissed suggestions that Mr. Turner singled out the ads, which began Sept. 10, because of his strong views, saying, "That thesis is belied by the fact that we took the ads." Mr. Haworth said no ads would be accepted from any faction in the controversy.

The rejected commercials — which continue to air in some local television markets — were financed by the Global Climate Information Project, a coalition that includes the American Automobile Manufacturers Association, National Association of Manufacturers, National Cattlemen's Beef Association and United Mine Workers.

One of the ads says: "What do you know about the United Nations' proposed climate treaty? . . . It would force the U.S. to cut energy use by over 20 percent . . . Gasoline prices could go up by 50 cents a gallon."

Mr. Haworth said CNN began a legal review after the Environmental Information Center, a Washington advocacy group, questioned the ads' accuracy. But a spokesman for the coalition, Richard Pollock, said they had been approved by CNN's standards and practices division.

"They're just trying to cover their tails," Mr. Pollock said. "The man at the top said, 'Pull 'em.' "

Away From Politics

• **Nearly 60 percent of the nation's elderly surveyed in 1995 received a flu** shot, the highest vaccination level ever recorded for U.S. seniors by government researchers. *(AP)*

• **A U.S. Navy F-14 Tomcat fighter jet** on a routine training flight crashed in the Atlantic Ocean, but both pilots had ejected, the navy said in Virginia Beach, Virginia. The navy said that one pilot was rescued and a search was under way for the other. It was the seventh U.S. military plane crash since Sept. 13. *(AP)*

• **Plowing into cars and spreading** terror as it roared down Fifth Avenue, an out-of-control New York City bus struck and killed a delivery man and injured three people before crashing into a store. One of those hurt, Neil MacFarquhar, 38, a reporter for The New York Times, was on a bicycle when he was it. He was critically injured. The police said the driver had a history of medical problems, and the police said he suffered a "possible heart attack or seizure." *(AP)*

Scandal Pushes A Politician In Australia To Try Suicide

The Associated Press

CANBERRA, Australia — A senior opposition politician has tried to commit suicide by slashing his wrists after being embroiled in a scandal over travel expenses.

Police officers broke into the apartment here of Nick Sherry, the finance spokesman for the Australian Labor Party, Friday morning after he failed to meet a flight or answer telephone calls, a spokesman said. They found him covered in blood with both wrists slashed.

Mr. Sherry, 41, has been the target of sustained political attacks by the conservative coalition government over allegations he had misused travel allowances. He has denied any wrongdoing.

Mr. Sherry was conscious and in stable condition in a hospital late Friday.

In a letter left for journalists, Mr. Sherry apologized for acting "stupidly." He said he believed the attacks on him would not cease and that everything he had stood for had been destroyed.

"My name is now mud," he wrote. "So I am taking the appropriate course of action."

The letter was left Thursday night for delivery to the Australian Associated Press on Friday morning.

Kim Beazley, the Labor leader, said that he had had diner with Mr. Sherry on Thursday night and that Mr. Sherry had been depressed. "One can never know what his thoughts were," Mr. Beazley said. "But he blamed nobody, and he was grateful for his colleagues' support during this, his most difficult week of his life in politics."

The suicide bid came amid a scandal over the widespread abuse of parliamentary perks, which has thrown the government into a crisis.

The scandal, labeled "Travelgate" by the opposition before its own members were implicated, has dominated the national political debate for two weeks.

POLITICAL NOTES

Clinton Seeks Citizen Panel To Keep an Eye on the IRS

WASHINGTON — President Bill Clinton will propose the creation of an independent Citizen's Review Panel to handle complaints from taxpayers about the Internal Revenue Service, according to a senior administration official.

The proposal, which Mr. Clinton hopes to present to Congress as early as next week, will call for the establishment of a watchdog agency that includes a national review board and 33 local review boards assigned to monitor the actions of each IRS district office.

The proposal comes a week after congressional hearings spotlighted collection abuses by IRS officials and enforcement agents and energized a contest between the administration and many members of Congress over reform proposals for the tax collection agency.

The panels would be modeled on citizen review boards set up in many cities to act as a check on local police departments.

Officials are still considering how members of the IRS review panels would be selected and whether to recommend that the entities have authority to discipline IRS agents. *(WP)*

Reagan Ranch for a Park? Californians Balk on Funds

SANTA BARBARA, California — This quiet coastal county that has long embraced Ronald Reagan has successfully risen up in protest against a proposal by Governor Pete Wilson, a Republican, to use $5 million in federal funds to buy the former president's remote mountaintop ranch, which has been for sale without any buyers for more than a year, and turn it into a state park.

The Santa Barbara News-Press editorialized against it, saying that Mr. Reagan, who has Alzheimer's disease, would have opposed the idea as misuse of federal funds.

Representative Walter Capps, a Democrat, who represents the area and opposes the federal purchase, said he has been inundated with local protests. *(WP)*

Campaign Finance Inquiry Backfires on Its Chairman

WASHINGTON — After months of putting others on the defensive, Fred Thompson, chairman of the Senate committee looking at campaign fund-raising abuses, suddenly has found the tables turned.

The Tennessee Republican has come under blistering attack from within his own party, accused of a lack of zeal in pursuing the Democratic political money scandal and of a lack of judgment in recently calling a halt to hearings that were finally landing some blows.

The bashing could be dismissed if it came solely from conservative activists such as Larry Klayman, who issued a wanted poster last week with Mr. Thompson's name on it. But the doubters including the Senate majority leader, Trent Lott, Republican of Mississippi. Mr. Lott has muted his public criticism, but aides have made it clear that Mr. Lott is frustrated with Mr. Thompson's performance. *(LAT)*

Quote / Unquote

Bill McCartney, chief executive of the evangelical men's organization Promise Keepers, who hopes to see hundreds of thousands of men on Washington's Mall on Saturday, kneeling in prayer to ask for God's mercy on a socially troubled America: "Historically, when men have come together from great distances and gathered strictly to repent, that has pleased the Lord, and He has seen fit to pour out His Spirit and grant forgiveness." *(NYT)*

Jarl Kulle, 70, Swedish Actor and Star in Bergman Films

The Associated Press

STOCKHOLM — Jarl Kulle, 70, a Swedish actor who was one of Ingmar Bergman's favorites and a star of his masterpiece, "Fanny and Alexander," died Friday at his home in Bergshamra, north of Stockholm.

One of the most prominent personalities of the modern Swedish stage, Mr. Kulle played in a number of Mr. Bergman's films, including "Waiting Women" (1950), "Smiles of a Summer Night" (1955), and "Now about these Women" (1963). The part of the happy innkeeper and seducer, Gustav Adolf Ekdahl, in 1982's "Fanny and Alexander" was written especially for Mr. Kulle.

But Mr. Kulle's home ground was the Royal Dramatic Theater in Stockholm. At the theater's premiere of Eugene O'Neill's "Long Day's Journey Into Night," in 1956, Mr. Kulle played the part of the son Edmond. He reappeared in the same play 32 years later, playing the role of the father. At the Royal Dramatic, Mr. Kulle also appeared in a number of Bergman productions.

Hector Julio (Carybe) Paride, 86, Artist Celebrated Brazilian Cults

SAO PAULO (AP) — Hector Julio Paride Bernabo, 86, the Brazilian artist known for colorful paintings of Afro-Brazilian religious cults, died of a heart attack Wednesday in the northeastern city of Salvador.

Better known by his nickname, Carybe, Mr. Paride Bernabo died during a meeting of devotees of candomble, a Yoruban religion brought over from Africa by slaves.

An exponent of the naive style, his paintings employ strong lines and rich splashes of color to depict typical Bahian figures and Orixas, as the Afro-Brazilian deities are known, who appear as masked and skirted figures.

His works have been used to illustrate various Latin American novels.

Grand Hotel
Villa Castagnola
Lugano, Switzerland

A mediterranean Villa Resort
delightfully situated
in a magnificent park
with subtropical flora
and views of lake Lugano.

Outstanding Italian cuisine.
Tennis - Swimmingpool
Private Lido
Fitness Center
Clarins Beauty Corner.
Private conference rooms

Holidays - Golf - Beauty Packages

CH-6906 Lugano
Phone +41 91 971 22 13
Fax +41 91 972 72 71
Mgr. P.A. Müller

Rush to Publish Interviews With Diana Is 'Honorable,' Author Says

By Dan Balz
Washington Post Service

LONDON — Asserting that he had acted "extremely honorably," the author Andrew Morton defended on Friday his decision to release taped interviews with the Princess of Wales, saying there was "no point in pretending anymore" that she was not the principal source of his best-selling biography of the princess.

A new hardback edition of his book, "Diana, Her True Story," began arriving in London bookstores Friday afternoon, despite earlier threats of legal action to block it.

The hastily published book contains 18,000 words from a series of secret interviews with Diana, but no new revelations. Mr. Morton also sold excerpts of the interviews to People magazine.

The publication coming just a month after Diana's death in an automobile accident in Paris, Mr. Morton has faced criticism that he is seeking to cash in on the princess's death without regard for the impact on her sons, Prince William and Prince Harry. But in a television interview, Mr. Morton said he believed Diana would "be happy" that her words were now available for the world to read.

"I am very proud to be her biographer," he said in an interview on ITV's "This Morning" program. "I am very proud that she chose me to tell her story. I think I've behaved extremely honorably throughout this whole episode."

Mr. Morton said the unhappy circumstances of Diana's marriage to Prince Charles have been well documented and that, if her two sons "really want to understand their mother," they eventually would want to read the book in her words.

Arguing that during Diana's life he had protected the confidentiality of their arrangement, Mr. Morton said it was time to set the historical record straight.

"I have been asked, 'Was she involved?' and I always said no to protect her," he said. "Well, she doesn't need protecting anymore."

But Diana's brother, Earl Spencer, and other members of her family were described through a spokeswoman Friday to be "very distressed and saddened" by Mr. Morton's decision to publish the book. The spokeswoman said the family was still in consultation with lawyers "on various points."

Buckingham Palace officials this week described the decision to publish a new edition of the book "sad," but had no comment Friday.

Earlier on Friday, the Spencer family issued a one-sentence statement saying, "The executors of Diana's will have sought legal advice and are considering their position." But there was no action taken before the books hit the bookstores.

هكذا من الأصل

Piccini/Agence France-Presse

A woman at the ruins of her house in Serravalle on Friday after new temblors struck the Umbria region.

Quakes Again Batter Central Italy

6 Are Injured and Assisi Basilica Sustains More Damage

Compiled by Our Staff From Dispatches

ASSISI, Italy — More earthquakes shook central Italy on Friday, inflicting new damage on areas hard hit by a pair of strong temblors a week ago and terrifying residents.

Six people sustained minor injuries in the first and strongest quake, which had a magnitude of 4.8 on the Richter scale.

It struck at 10:55 A.M., sending people traumatized by last week's tragedy fleeing into the streets.

"People can't take it anymore," said Giancarlo Sagramola, a civil defense official in the town of Fabriano, where a man jumped from a first-floor window in terror. He was unhurt.

A series of aftershocks followed, including a tremor with a magnitude of 3.5 at 1:04 P.M. and another almost as strong about 40 minutes later.

Friday's quake aggravated damage sustained by the famed basilica of St. Francis at Assisi, said the Reverend Pasquale Magro, head of the basilica's museum.

Part of the cathedral's vaulted ceiling collapsed last week during the second and, at magnitude 5.5, the strongest quake. Four people were killed and works attributed to Giotto and Cimabue were destroyed. In all, 11 people died in last week's double quake.

Father Magro said the basilica's damaged ceiling survived the new shocks. But more stones fell from the damaged south transept facade and showers of plaster rained down inside the cathedral.

Local officials said Assisi's hospital had been evacuated as a precautionary measure and schools had been closed.

The state railroad said trains running through the Umbria region had been canceled.

In Perugia, the nearest major city to the epicenter, hundreds of people ran from shops, offices and houses into the streets in fear of falling masonry.

Perugia's Gothic Palazzo dei Priori was slightly damaged.

The historical center of the Umbrian town of Foligno was closed and part of a bell tower on the town hall, already damaged last week, crumbled away.

As with last week's earthquakes, tremors were felt in Rome, more than 100 kilometers (63 miles) from the epicenter.

When the new temblors struck, technicians were cataloging pieces of frescoes that fell last week and experts were studying ways to reinforce the basilica's structure. Italy's civil defense chief, Nicola Barberi, said the strength of the temblors Friday caught the authorities by surprise.

"Never have such aftershocks been seen in 1,000 years" of the region's history, he said.

The head of Italy's National Institute of Geophysics, Enzo Boschi, said buildings weakened by last week's big quakes should be evacuated until they can be reinspected.

"It's impossible to predict" when or if more aftershocks might hit, he said.

The central regions of Umbria and Marche have quivered with aftershocks since, as have neighboring Tuscany.

The new tremor struck as relief teams were working throughout the region to reinforce damaged buildings, find shelter for people driven from their homes and assess the toll on the area's cultural treasures.

Culture Minister Walter Veltroni on Friday said the damage to the region's artistic patrimony would amount to hundreds of billions of lire.

Friday's epicenter was about 35 kilometers from Assisi in Col Fiorito, a town heavily damaged last week.

(AP, Reuters)

BOSNIA: *NATO Fears Secret Muslim Weapons Buildup Will Lead to New Offensive Against the Serbs*

Continued from Page 1

pressure of a political power struggle, a lack of funds, poor morale, a severe shortage of spare parts and high desertion rates.

There have been several indications over the last few weeks that the Bosnian government's secret weapons acquisition programs and clandestine training have been stepped up.

For example, an Egyptian freighter flying a Ukrainian flag lies quarantined under NATO guard off the Croatian port of Ploce, its hold containing 10 Soviet-built T-55 tanks that were to be delivered as part of a secret shipment to the Muslims.

All weapons deliveries are supposed to be shared between Muslim and Croatian units in the united force established under the terms of the Bosnian peace accord.

But the Muslim-Croat force exists largely on paper, and alliance officials said the tanks were to be turned over to the Muslims.

A spokesman for the State Department's Task Force on Military Stabilization in the Balkans, reached in Washington, described the impounded weapons as a procedural problem that, he said, "will be resolved shortly."

But senior alliance officials said that the Americans were angry about the shipment, and that other deliveries have managed to elude monitors.

Reports in recent weeks indicated that weapons have arrived in the Croatian port of Rijeka, which is not monitored by NATO personnel, officials said. Ploce is monitored.

The officials also said that a general of the Iranian Revolutionary Guard was posted at the Iranian Embassy in Zagreb, the capital of Croatia, and that since his arrival in August he has apparently been working out deals with the Croats to smuggle more weapons through Croatia to the Bosnian Muslims.

And peacekeeping officials said they had received several intelligence reports that Muslim infantry troops were being trained secretly in Iran and Malaysia.

The secret effort to build up the Bosnian Army is a violation of the peace agreement, which set strict limits on the number of heavy weapons to be possessed by all sides. The effort is being undertaken as Washington, in a program known as "equip and train," provides instruction and NATO armor and artillery to the Bosnian Croats and Muslims.

That $300 million program, which has included the delivery of advanced American tanks two generations ahead of anything in the Bosnian Serb arsenal, has in the eyes of many alliance officials, including the British, already tipped the balance in the Muslims' favor.

Moscow is increasingly nervous about the Muslim buildup against its traditional Serbian allies. Senior Russian commanders met with Bosnian Serb generals and gave them classified NATO satellite photos of military training camps for Muslims.

The Russians' purpose was to warn the Serbs of an impending debacle, Western diplomats said.

"The Bosnian Serb generals were stunned," said a senior Western diplomat who was informed of the meeting. "The mood in the room was very black."

The Muslims contend that they are acquiring weapons and training only under the strict limits set down by the Bosnian peace agreement and the guidelines of the equip and train program.

"A needle can't get in here without NATO knowing about it," said Mirza Hajric, an adviser to President Alija Izetbegovic of Bosnia.

"Anyone who believes that stuff can be smuggled in here is a fool," he continued. "Apparently the Ministry of Defense did not properly inform U.S. officials about this ship, but NATO was informed. It is just poor communication. I assume it was a mistake. As far as training goes, there is no military training of Bosnians in Iran or other countries. All training is done under equip and train."

NATO strategists expect that the Muslims' first move would be a drive to seize the Serbian-held lands in eastern Bosnia. The region could fall "in a matter of days," one analyst said.

"We also expect most all of the Serbs there to be driven into Serbia," a top alliance commander said, "an event that could force Belgrade, even against its will, to intervene. This is a high-risk operation."

GORE: *Reno to Expand Campaign Inquiry*

Continued from Page 1

used by Democrats in the Clinton-Gore re-election campaign.

Mr. Gore and his advisers seemed resigned to the decision. The vice president's aides have said an expanded inquiry would give them an opportunity to present Justice Department lawyers with information showing that he did not break the century-old law that limits fund-raising by government officials on federal property.

Ms. Reno's letter was a reply to one on Sept. 3 from Representative Henry Hyde of Illinois and other Republicans on the House Judiciary Committee. Under the independent prosecutor statute, if Ms. Reno receives a request from more than half the members of the majority party on the Judiciary Committee, she must respond to their complaint in writing within a month.

Mr. Hyde's letter outlined allegations of wrongdoing by Democrats during the presidential campaign. It asked Ms. Reno to consider the appointment of an independent prosecutor to examine the issues, including the possibility that China sought to improperly influence American election campaigns and whether Democratic fund-raisers illegally laundered foreign money into the Clinton-Gore campaign.

In those instances, Mr. Reno's letter rebuffs the need for the independent prosecutor mainly on the ground that there is no evidence of wrongdoing by any of the nearly two dozen high-level officials who are covered by the statute, the officials said.

During the 90-day preliminary investigation, the Justice Department must determine whether there is enough evidence of criminality to believe Mr. Gore actually violated the law. If the inquiry finds such evidence of wrongdoing, Ms. Reno must seek the appointment, which would be made by a three-member panel of appellate judges.

The preliminary investigation, which can be extended 60 days more if necessary, will allow prosecutors to conduct interviews with witnesses and examine documents. But they cannot use grand juries, subpoenas and immunity grants.

Prosecutors may take into account a variety of factors in determining whether Ms. Reno must refer the case to an independent prosecutor. They can consider Mr. Gore's state of mind and weigh whether the Justice Department would actually prosecute such an offense under a somewhat obscure 1883 law.

Srdjan Ilic/The Associated Press

Montenegro to Vote Sunday for a President

A woman in Podgorica getting advice Friday from a billboard on how to cast a ballot in presidential elections Sunday. The posters urge a vote for Milo Djukanovic, who as prime minister has led the republic's attempts to emerge from the shadow of Serbia.

BARCLAYS: *Investment Bank to Be Sold*

Continued from Page 1

Group, the Dutch banking and insurance giant. And some U.S. investment banks, such as J.P. Morgan, could view BZW as a vehicle for strengthening their European presence, analysts said.

Barclays built up its securities arm, BZW, through acquisitions during the mid-1980s, when London's financial-services industry was in the throes of a sweeping deregulation that broke down the barriers between banks and securities firms.

At the time, Barclays, NatWest and other British companies were competing against an influx of U.S. banks and securities firms eager to establish a foothold in Europe. Both sides appeared vulnerable to the ambitions of Japan's big banks and securities firms, which enjoyed unmatched capital resources thanks to booming stock market there.

Since then, however, a vicious bear market and numerous financial scandals have sidetracked the Japanese. Like other European firms, meanwhile, BZW has failed to break into the U.S. market or establish itself as a major underwriter corporate stock offerings, a lucrative business that holds the key to providing big companies with a full range of services.

In contrast, U.S. securities houses have boomed thanks to a domestic stock market that seems to defy the laws of gravity and business cycles. A good example came Thursday when Acquisitions Monthly published figures showing that Goldman, Sachs & Co., the private U.S. partnership, was the leading adviser on British takeovers in the first half of this year. The news was not lost on Barclays, which tapped Goldman as its adviser to find a buyer for its securities business.

"We would have needed to spend a lot of money to reposition the primary side of the business," Mr. Taylor said. With a return on equity of just 12 percent at BZW, compared with 25 percent on its business lending and 34 percent on consumer lending, company directors reached an easy conclusion two weeks ago. "We decided we were sellers, not buyers," he said.

Barclays shares fell sharply Friday, losing 47.5 pence, to close at £16.975, apparently reflecting investor disappointment that the bank had not announced an arranged sale.

In the longer term, however, some analysts said the move should help the shares by improving the level and stability of earnings. "It ought to argue for a higher rating for the shares," said Phil Pickard, an analyst at HSBC James Capel, the brokerage arm of HSBC Midland Bank.

THAIS: *Doubts on IMF Plan*

Continued from Page 1

in foreign debt. Half the debt is in short-term loans, $18 billion of which are scheduled to roll over by the end of this year. The money was borrowed during the years when the baht was firmly pegged to a dollar-dominated basket of currencies.

Few companies hedged against currency fluctuation, and many of the short-term loans that are now coming due were used to finance long-term projects or real estate speculation. The cost of repayment shot up, however, when the baht was floated July 2, setting off a regional currency crisis. The baht has lost about 40 percent of its value this year.

The increased cost of foreign debt has wiped out corporate profits and created a paralyzing shortage of operating cash for industry. The severity of the problem has been worsened by the government's confused management of the crisis.

Mr. Siri said that while he hoped the IMF package negotiated in early August was enough, authorities must explore all options.

Separately, the Thai government announced Friday that the 1997 government budget deficit was 42 billion baht, well within the IMF imposed limit.

MOSSAD: *Israel Voices 'Regret' Over Canada's Anger*

Continued from Page 1

Mr. Axworthy, speaking to reporters in New York before meeting Secretary of State Madeleine Albright, said: "We, of course, take great exception to the use of the reputation of a Canadian passport for those kinds of purposes."

Although he stopped short of directly accusing Israel of responsibility for the affair, he said he had contacted an Israeli deputy foreign minister, whom he did not name, to express concern.

Mr. Axworthy said Canada had made clear to Crown Prince Hassan of Jordan that "we have no involvement whatsoever" in the attempted assassination.

The Canadian ambassador, David Berger, said Friday, "I am returning to Canada tonight for consultations."

Mr. Axworthy said that discussions would be held with Mr. Berger on what other steps might be taken.

"We want to go through this very carefully and determine what our other steps might be," Mr. Axworthy said to the Canadian Broadcasting Corp.

Mr. Morris, the analyst, said it was a mistake to have launched an operation in Jordan, which signed a peace treaty with Israel in 1994 and has often seemed to be Israel's only Arab friend since Prime Minister Benjamin Netanyahu was elected prime minister last year.

Israel Television reported Thursday that Mr. Netanyahu dispatched four top officials to Amman on Sunday, including Defense Minister Yitzhak Mordechai and National Infrastructure Minister Ariel Sharon, to talk with King Hussein.

The outcome of their mission was Israel's decision to free the ailing founder of Hamas, Sheikh Ahmed Yassin, from prison on Wednesday and fly him to Amman, in what was billed as an Israeli peace gesture.

King Hussein and Yasser Arafat, the Palestinian leader, visited Sheikh Yassin in an Amman hospital Thursday and said Israel must deliver on the pledges it has made under accords with Palestinians.

"I hope that this is the beginning of other such moves in the future," the king said outside the hospital.

"I would certainly like to see genuine efforts and genuine commitments to materialize in facts on the ground. The king has accused Mr. Netanyahu of failing to meet his commitments to the Palestinians, including releasing thousands of prisoners.

Mr. Arafat said he hoped that "American efforts will continue to protect the peace treaty and push the Israeli government to be committed to what it signed."

Jordan's minister of state for information, Samir Mutawae, said the two men arrested last week were still under investigation.

Terrorists in Algeria Massacre 38, Most of Them Women and Children

The Associated Press

ALGIERS — A group of armed men killed 38 people early Friday in Algeria, slitting their throats or cutting off their heads before setting the victims' houses on fire, witnesses said.

The attackers stole food, money and jewelry before leaving the village of Mahelma just before dawn, the witnesses said.

There was no immediate claim of responsibility for the attack, but the raid was characteristic of the Armed Islamic Group, the most violent faction of Algeria's bloody insurgency.

The killings came two days after a rival militant group, the Islamic Salvation Army, began a unilateral cease-fire, the first since the insurgency started five and a half years ago.

Witnesses to the Mahelma attack, in the Blida region 50 kilometers south of Algiers, said the victims were mostly women and children.

At least one of the attackers' intended victims was able to escape, the witnesses said.

Hundreds of people have been killed in similar attacks in recent weeks.

BRIEFLY

Bomb Hits Afghan UN Camp

KABUL — A bomb slammed into a UN camp for Tajik refugees in northern Afghanistan, killing two people, wounding 15 others and sending hundreds fleeing for safety, UN officials said Friday.

The camp, located between Afghanistan's Taleban religious army and a northern-based opposition alliance, houses thousands of refugees who fled a civil war in neighboring Tajikistan. *(AP)*

Jakarta Curbs Timber Permits

JAKARTA — Indonesia revoked logging licenses Friday of 29 timber companies implicated in fires responsible for choking smog across much of Southeast Asia.

The official Antara news agency said the move followed an ultimatum to 176 companies to account for their actions after satellite data images showed so-called fire hotspots on land licensed to the companies. The deadline expired Thursday. *(Reuters)*

Writer Loses Malaysia Appeal

KUALA LUMPUR — A Canadian correspondent for the Far Eastern Economic Review who was sentenced to jail for an article he wrote lost his request Friday to get his passport back pending an appeal.

Murray Hiebert, 47, of Steinbach, Manitoba, was sentenced Sept. 4 to three months in jail for contempt of the judiciary.

Since his conviction on May 30, Mr. Hiebert had been free on bail. But he had to request the return of his passport from the authorities each time he left the country and had asked for its return until his appeal. *(AP)*

UN Rights Envoys to Visit China

GENEVA — Two United Nations human rights envoys begin a 10-day visit to China on Monday with a government promise of the right to interview prisoners in private, a UN human rights spokesman said Friday.

It is the only the third UN investigation to be allowed to enter China, accused by Western countries and activist groups of repressing dissent. *(Reuters)*

Mexico Charges 19 Policemen

MEXICO CITY — Mexican authorities have charged 19 police officers in the shooting deaths of three young men who were taken by the police from a Mexico City slum — killings that have incensed capital residents.

During a closed-door arraignment Thursday evening, one officer was charged with deliberate homicide and the others with abuse of authority in connection with the killings. *(AP)*

MANILA: *Ramos Challenger*

Continued from Page 1

When the Miss Universe pageant was held in Manila in 1994, he was so taken with one of the contestants that he said: "If Miss Colombia will have me, I'll leave my wife for her, or even have her assassinated."

As a potential president, he has attracted a small circle of advisers on the political left and right who seem to hope to steer him their way.

"He is tabula rasa," one of them said recently. "He has no mind-set to change because he has no mind-set."

Born in the low-income Manila neighborhood of Tondo, he is the ninth of 10 children and the only one not to finish college. The others are doctors, lawyers, pharmacists and teachers. "But now," Mr. Estrada said, "they are all the brothers and sisters of Erap."

As an actor, he specialized in playing underdogs who faced down richer and more powerful men.

It is a persona he has maintained as a politician and his support comes from the poor and disenfranchised, who make up the majority of the electorate.

"I will be pro-poor and pro-country," he likes to say when accused of having no economic program to offer, "and govern with my common sense, which is not very common."

Almost as a sideline, he became mayor of his hometown, the Manila suburb of San Juan, in 1968 and held the job for 17 years before serving a term in the Senate.

Still insisting that he was not a professional politician, he won twice as many votes for vice president as Mr. Ramos did for president in the 1992 election, in which candidates for president and vice president ran separately.

Mr. Ramos gave him, as vice president, the thankless job of heading an anti-crime commission in a country where military and police officers help run kidnapping and drug-running syndicates.

It is one job he seems to have taken to with a will.

So many suspects were being killed at the time of their arrest that Mr. Estrada was removed from the anti-crime commission six months ago.

He said he and the president have not spoken to each other since.

Beyond that task, Mr. Estrada has had little work to do as vice president, and he has maintained the life of a movie star — up at 10 or 11 A.M., into the office in mid-afternoon, and then, as often as not, a late night at the 419, a nightclub he owns.

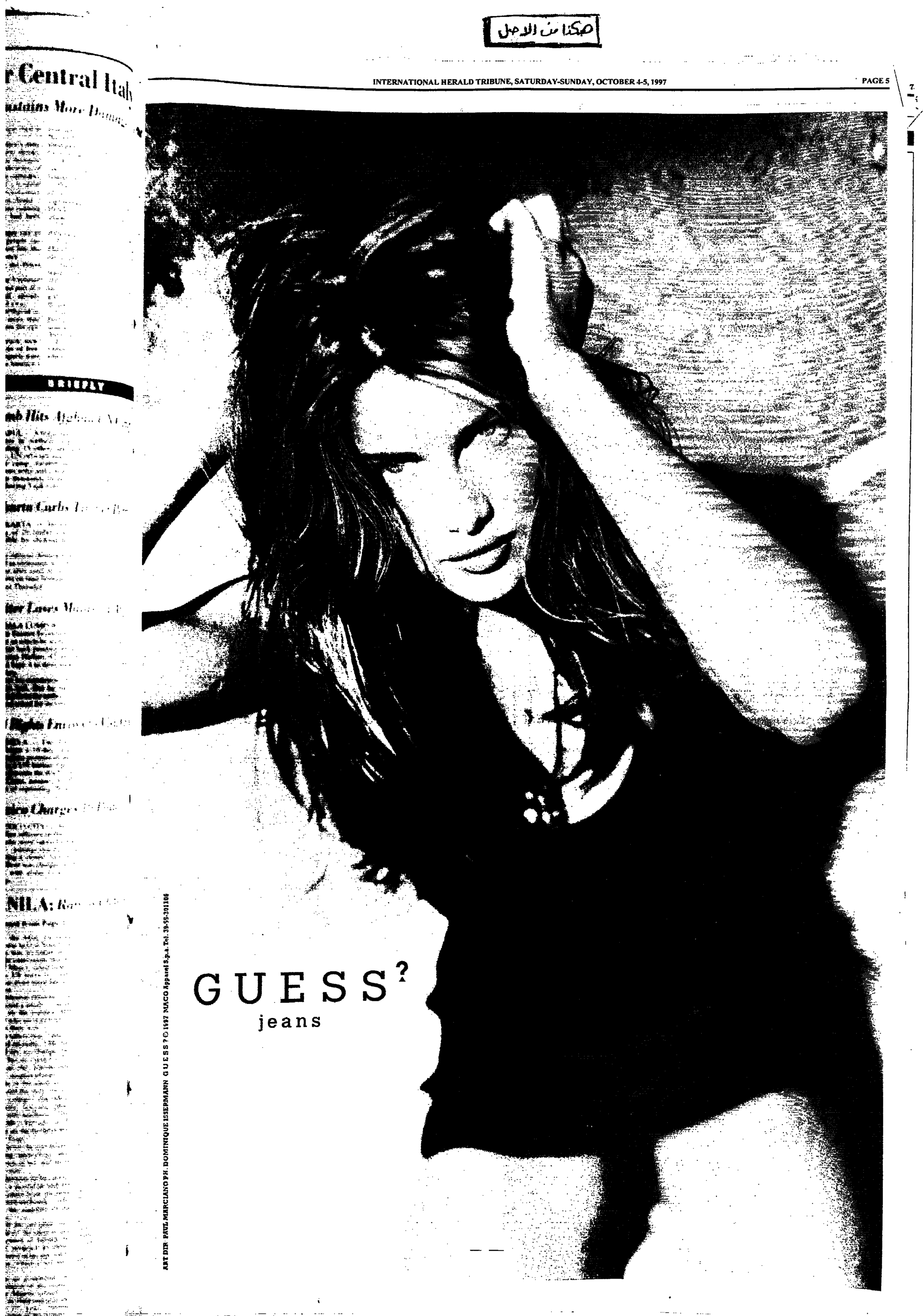
"Estrada has a perceived lack of work habits," Bernardo Villegas, an economist, said last year.

In March, he met for lunch with a group of women journalists, arranging for each of them to receive a bouquet when she arrived.

Lunch was a series of jokes and evasions, recalled the columnist Domini Torrevill, and the women loved it.

"Much of what we remember at that lunch was him smiling and making goo-goo eyes," she wrote in her column.

هكذا من الأصل


GUESS?
jeans
ART DIR. PAUL MARCIANO PH. DOMINIQUE ISERMANN GUESS? © 1997 MACO Apparel S.p.a. Tel. 39-55-301106

EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Nuclear Recklessness

Of all the nuclear powers, China has been the most reckless in exporting technology and materials that other countries can use to develop their own bombs. In the 1990s, Iran, Iraq, India and Pakistan have received Chinese help in evading international restrictions on nuclear trade. Iran and Pakistan still receive Chinese assistance.

Despite recent promises to exercise restraint, China remains the only nuclear-weapons state selling material and technology to countries that close some of their nuclear installations to international inspectors. That should be reason enough to maintain restrictions on exporting civilian nuclear reactor technology to China.

Yet there is strong support within the U.S. administration for lifting those controls in time for the visit of President Jiang Zemin to Washington this month. President Bill Clinton should resist the pleas of diplomats eager to improve relations with Beijing and of exporters like Westinghouse, General Electric and ABB looking to tap the $2 billion Chinese nuclear market. He should keep current restrictions in place until China shows responsibility on its own nuclear exports.

Getting China to change its policies is hard. But Washington has a lever for seeking tighter export restraints. China is planning to expand its nuclear power program and wants to gain access to American civilian nuclear technology. That leverage can be deftly used by promising an early lifting of the American export restrictions once tighter Chinese controls are established and verifiably in place.

American companies may not sell reactors to China until the president informs Congress that Beijing is neither directly nor indirectly helping non-nuclear countries develop nuclear weapons. For the last 12 years, no American president has felt able to give such assurances.

The administration has been pressing China to observe stricter export safeguards since last year's discovery that a Chinese military corporation was selling ring magnets, a bomb-making tool, to Pakistan. Beijing appears to have stopped shipping nuclear materials and technologies to installations that bar international inspectors. But that is not enough, since recipient countries can simply divert such nuclear contraband to unmonitored installations. The solution is for China to refuse to sell to countries that bar inspectors from any facility. China must also establish better controls over the export activities of its military-run corporations.

Those two steps would solve the Pakistan problem, but not the Iranian one. Iran keeps all its known facilities open to inspectors, but the Central Intelligence Agency reports it is secretly developing nuclear weapons anyway. China is also aiding Iranian efforts to make chemical weapons and medium-range missiles. American diplomats are trying to firm up Chinese promises to halt this dangerous assistance to Iran. But there will be no way of knowing whether these pledges are reliable in time for the summit meeting. In an area this dangerous to international security, promises are not enough.

—THE NEW YORK TIMES.

Inspecting the Food

Global trade allows Americans to satisfy their appetites for strawberries in spring, apples in midsummer and asparagus in autumn. Last year 38 percent of fruits and 12 percent of vegetables consumed in the United States came from foreign fields.

But getting fresh produce year-round also means that consumers are exposed to foreign food production systems that may not be well regulated. Although the vast majority of the 30 billion tons of food imported annually is wholesome, recent incidents of illness caused by tainted Guatemalan raspberries and E. coli-contaminated domestic meat and fruit juices have made food safety a public concern.

Yet even as food imports have doubled since the 1980s, federal health inspections of imports have been cut in half. Since the Food and Drug Administration samples less than 1 percent of food imports at the docks, tainted food can reach consumers undetected.

In a sensible effort to tighten food safeguards, President Bill Clinton has asked Congress to give the FDA power to halt imports of fruits, vegetables and other food products from countries that do not maintain food safety standards equivalent to those in the United States. That would give the agency the same authority that the Agriculture Department has long exercised over imports of meat and poultry. Monitoring the agricultural and food handling practices in exporting nations will be far more effective than random checks at the border. The administration will seek $24 million in 1999 to send FDA inspectors abroad.

The president is also asking government agencies and representatives of the agricultural sector to draft standards of good agricultural practices, such as keeping latrines away from vegetable fields and screening food workers for hepatitis, to guide both domestic and foreign growers.

Foreign producers are already denouncing the plan as an unfair trade barrier. But there is no reason to believe that asparagus growers in Mexico will be asked to live by higher standards than growers in Washington state. In the long run, federal efforts to bolster consumer confidence in the wholesomeness of imported food will help the American appetite for foreign produce grow.

—THE NEW YORK TIMES.

Hong Kong's Retreat

Hong Kong's Beijing-appointed legislature has approved a new election law that restricts democracy in that Chinese city-state and raises questions about Hong Kong's chances of remaining a successful, truly autonomous region now that it has reverted from British to Chinese control.

When China assumed sovereignty over Hong Kong's 6 million people, it promised to leave them more or less alone in their island of capitalism under a formula dubbed "one country, two systems." China's designated leader for Hong Kong, Tung Chee-hwa, further promised that Hong Kong would be more democratic than it had ever been — which, given Britain's mixed legacy as imperial ruler, shouldn't have been difficult. But Mr. Tung and the legislature have now moved in the opposite direction.

The new law is complex, but its gist is simple: It will ensure that forces friendly to Beijing retain control. Pro-democracy forces, which were supported by a majority of voters in Hong Kong's last election, will be unable to exert influence commensurate with their popular support.

The law accomplishes this in a variety of ways. The legislature to be elected next spring will have 60 seats, but only 20 will be directly elected. Thirty will be chosen by "functional constituencies," such as professional associations and business groups. This is a system devised by the British, but in 1995 it was so broadly defined that 2.7 million residents were eligible to vote; the new law reduces the electorate to about 180,000. Thus, where previously garment workers each had a vote, now only garment companies will vote. Another 10 seats will be chosen by an 800-member electoral college, itself carefully controlled. Even the system for choosing the 20 elected representatives has been changed to dilute the strength of the most popular, pro-democratic parties.

The United States has substantial financial and political investments in Hong Kong, which has succeeded in large part because of the characteristics that set it apart from China: adherence to rule of law, free flow of information, an uncorrupted bureaucracy and respect for private property. To the extent Hong Kong moves backward on democracy, these characteristics are threatened, and so is Hong Kong's special magic — and the U.S. stake there.

U.S. officials have stressed that Hong Kong's adherence to democratic norms — and particularly, its fulfillment of a promise to hold free and fair elections — will go a long way toward determining U.S. attitudes toward Hong Kong and its masters in Beijing. Now the United States must decide whether to play along with the fiction that elections held under this law truly could be considered free.

— THE WASHINGTON POST

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
ESTABLISHED 1887
KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen
KATHARINE P. DARROW, *Vice Chairman*
RICHARD McCLEAN, *Publisher & Chief Executive*
MICHAEL GETLER, *Executive Editor*
• WALTER WELLS, *Managing Editor* • PAUL HORVITZ, *Deputy Managing Editor*
• KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • SAMUEL ABT and CARL GEWIRTZ, *Associate Editors* • ROBERT J. DONAHUE, *Editor of the Editorial Pages*
• JONATHAN GAGE, *Business and Finance Editor*
• RENE BONDY, *Deputy Publisher*
• JAMES McLEOD, *Advertising Director* • DIDIER BRUN, *Circulation Director*
Directeur de la Publication: Richard McClean

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel.: (1) 41.43.93.00. Fax: Subscriptions, (1) 41.43.92.10; Advertising, (1) 41.43.92.12; News, (1) 41.43.93.38.
Internet address: http://www.iht.com E-Mail: iht@iht.com
Editor for Asia, Michael Richardson, 5 Canterbury Rd., Singapore 119800. Tel. (65) 472-7768. Fax (65) 274-2334. Mng. Dir. Asia, Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Kong. Tel. 852-2922-1188. Fax. 852-2922-1190. Gen. Mgr. Germany, T. Schiller, Friedrichstr. 15, 60323 Frankfurt/M. Tel. +49 69/97 1250-0. Fax. +49 69/97 1250-20. Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Fax. (212) 755-8785. U.K. Advertising Office: 63 Long Acre, London WC2. Tel. (171) 836-4802. Fax: (171) 240-2254. S.A.S. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337.
©1997, International Herald Tribune. All rights reserved.
ISSN. 0294-8052

America Can Stand Up to the Rush to Help Iran

By A.M. Rosenthal

NEW YORK — The secretary of state was saying that some of America's friends and allies "don't get it." Here is Iran, a "prime example" of what she said was the world's worst problem, the rogue states. Yet here is France "pumping money" into Iran; "it passes my understanding." And here is Russia "transferring technology" to Iran. The United States has already identified it more precisely as missile and nuclear technology.

Somehow, Madeleine Albright said, friends and allies think we can deal with Iran without supporting its terrorism, its attempts to acquire weapons of mass destruction and its "very frequent efforts" to undermine Mideast peace efforts. They just don't get it.

But they do get what matters to them: a clear idea of the American administration's real intent.

In her next comment at a meeting of the Council on Foreign Relations in New York, Mrs. Albright said: "I am very concerned that in Congress there seems to be a thought that we ought to cut off assistance to Russia to punish them for what is potentially this transfer of technology. And I hope this would not happen, because we would be cutting off our nose to spite our face, because that is needed to help the reforms."

Europe knows there's nothing frightening the United States can do to France, at the moment. Total, the French company investing heavily in Iranian gas, sold most of its assets in the United States just before closing the Tehran deal. Anyway, Iran is more important to France than penalties the United States could impose on Total under American law.

As Iagniappe, there is the pleasure French governments take spitting in America's face and sneering at its security interests. Said Prime Minister Lionel Jospin of the Total deal: "Personally, I rejoice in it." That will ring down the years, as his response to "Lafayette, we are here."

If President Bill Clinton refuses to impose sanctions on Total (and its Russian and Malaysian partners in the gas deal) he would be defying the decision of Congress. The bill calling for such sanctions was introduced, to his great credit, by Senator Alfonse D'Amato.

But if Mr. Clinton allows Russia to get away with helping Iran build missiles and nuclear capability, that would be a threat to the entire Middle East — and to the all U.S troops stationed there now or in the future. America would not be cutting off its nose: it would be slicing its throat. It would be one more example why our friends and allies really do "get it." When it comes to sanctions that could bite, the administration's teeth remain in the drawer.

Another example: Beijing also has been peddling missiles and nuclear technology. The United States has said so. But now the administration announces its plans to "certify" that China is complying with nonproliferation agreements! That will open the way for more American self-destruction: sales of U.S. nuclear technology and super-duper computers to the Chinese, for them to use and copy. (Speaking of self-destruction, Israel's sales to Beijing of military technology are a disgrace and a political booby trap.)

America's friends, allies and Jospins know billions in U.S. trade go to the Chinese Army. How can we complain about Russians and other Europeans making billions in strengthening Iran?

And already from Washington come diplomatic and journalistic tom-tom messages that Israel is warning about Iranian missiles to divert world attention from the "peace process." Also: If they are so worried why don't the Israelis destroy Iranian missile bases as they did the Iraqi nuclear plant in 1981?

They will, they will, as soon as Iran moves all its missiles into one neat base instead of annoyingly scattering them across the country.

France and Russia hope in Iran to make more than money. Each yearns to replace America as the leading foreign player in the Mideast. Russia's buildup of Iran, like its missile sales to Syria, fits in with those Moscow hopes — for years the particular goal of Yevgeni Primakov, the former KGB star who is now Russia's foreign minister.

But all right, given the U.S. sales that build up the Chinese Army, maybe the United States is a hypocrite about French and Russian deals with Iran. But let's at least be hypocrites with a touch of self-preservation.

The New York Times

U.S.-China Summit: Just How Much Fudge Will Clinton Eat?

By Jim Hoagland

WASHINGTON — Only his hairdresser knows for sure which tint President Jiang Zemin will choose for his summit meeting with President Bill Clinton in Washington on Oct. 28. But intelligence analysts bet it will be a dark shade of black to emphasize the Chinese president's vigor and relatively youthful appearance at age 71.

The fact that Mr. Jiang and a number of his elderly cohorts on the Politburo dye their hair (and in Mr. Jiang's case his eyebrows) is not idle gossip about personal vanity. Their quest for the grace of youth is about power politics, a blood sport in Beijing.

Chinese attention to surface detail is a good window on Mr. Jiang for Mr. Clinton as they begin final preparations for this summit meeting, the first U.S. visit by China's top leader since the Tiananmen massacres of 1989. Mr. Clinton will be asked by Mr. Jiang — and by his own aides — to go along with pretense far more serious.

The main question at this summit will be: How much fudge is Mr. Clinton ready to eat to secure a friendship that already announces itself as difficult, if not fickle?

The answer at this stage looks like: plenty. The administration seems prepared to hail a summit occurring at all as just short of miraculous, and highly worthy in and of itself. Silver Locks of Washington will cast no inquiring or suspicious glances at Inky Mane from Beijing.

The hairdresser factor in Chinese politics is not a dirty little secret. It is well known in China and among Chinese specialists in the West that the Politburo leaders work hard and constantly to appear trim and fresh for the masses, using cosmetic devices to that end. China's leaders exalt techniques, not unknown in American politics, to an art form.

They swim rivers at the pop of a photographer's flashbulb — especially when they need to disprove reports they have fallen terminally ill. Chinese politics can be the ultimate sink or swim experience, notes a former American official who has met with Mr. Jiang over the years, observing several unsubtle tint jobs firsthand.

The bigger pretense ahead involves the results of the summit. In a low-key buildup, the administration seeks to focus attention on a false choice between lavishing ceremony on Mr. Jiang or isolating China altogether. Even a Beijing stylist couldn't whitewash that bit of fudge.

"The summit will regularize our dialogue," explains a senior official at the White House, where the hope is that the summit will seal a bipartisan, post-Tiananmen consensus that the United States must be "engaged" with the world's most populous nation.

But that is a false test. Like it or not, the United States is already intimately engaged with East Asia's only nuclear power, rising economic giant and a historic, proud empire. As Richard Nixon and Henry Kissinger acknowledged in 1972, at first covertly to themselves and then with galloping Sinophilia to the world, Communist China exists.

The key question for Mr. Clinton at the summit is one of results: What kind of official engagement will the United States have with China? Will that engagement be candid and reflect American ethical and moral values as well as support business opportunities and short-term diplomatic imperatives? How can this summit contribute to both sets of priorities? Will American interests in the survival of democracy in Taiwan and Hong Kong be made paramount in Mr. Clinton's conversations with Mr. Jiang? Or will this be the Clairol summit?

The advance signs are not promising. While the Clinton administration is emphasizing China's desire to work with America if handled respectfully, Beijing is emphasizing to Europe its desire to diversify its economic and diplomatic relations. The European Union has just been told that China plans to shift a large percentage of its foreign currency reserves out of the dollar into the new euro when it is created in 1999.

Prime Minister Li Peng makes a point of telling American visitors, including presidential envoys, that China will switch some of its purchases of Boeing airliners to the European Airbus to punish America. Mr. Li believes blackmail pays.

Moreover, two of the most important things about this summit will be things that do not happen: There will not be an address by Mr. Jiang to a joint session of Congress, an idea the Chinese pursued until they apparently concluded that Mr. Jiang might get a cool reception. And as things stand now there will probably be no joint statement at the summit's end.

Instead, the two leaders will field questions together at a news conference. That is the moment when Mr. Clinton should go on a completely fudge-free diet.

The Washington Post

Before Sitting Down, There's a Dissident Who Must Be Freed

By Gary L. Bauer

WASHINGTON — Two facts dominate the future of Chinese-American relations. One is the Oct. 28 trip to Washington of President Jiang Zemin. Another is the fragile health of Wei Jingsheng, China's Andrei Sakharov, who is being encouraged by his jailers to die of "natural causes" — orchestrated beatings and untreated diseases.

This presents President Bill Clinton with a choice. He can demand Mr. Wei's release as a condition of going through with the planned state visit. Or he can exchange smiles and Champagne toasts with China's leader while China's most respected democrat lives, and may be dying, in prison. If the president takes the latter course, he will go far beyond delinking Chinese trade from human rights. He will delink U.S. foreign policy from American principles, and from decency.

It is the Chinese themselves who chose Mr. Wei as a central player in this unfolding diplomatic drama. Soon after completing a 14-year prison term, Mr. Wei was returned to captivity just weeks after meeting at a Beijing hotel in February 1994 with U.S. Assistant Secretary of State John Shattuck. The Chinese minister of foreign affairs accused Mr. Shattuck of interfering in "the internal affairs of China," and Mr. Wei was sentenced to another 14 years of prison. The administration treated this slap with a restraint indistinguishable from cowardice. Yet the circumstances of Mr. Wei's arrest create a special responsibility and an interest of honor for the United States to win his release.

Once an ardent Maoist, Mr. Wei was disillusioned by the human ruin of the Cultural Revolution. In his prison writings, he defends the rule of law against arbitrary authority. These letters reveal a man who is ironic, compassionate, charming — and as immovable as a cliff. After the Tiananmen massacre, he addressed Deng Xiaoping as "precisely the kind of idiot to do something foolish like this." He sometimes signs his letters, "your most devoted hostile element." All this has earned him solitary confinement, physical and psychological abuse, untreated high blood pressure and heart problems, along with the loss of nearly all his teeth.

This is squarely in the great tradition of Mr. Sakharov and of Natan Sharansky, Nelson Mandela, Alexander Orlov and Yelena Bonner. Such dissidents serve an important historical purpose, exposing both the nature and weakness of regimes they oppose. In Mr. Wei's suffering, China is revealed as a nation where gulags are of more than historical interest, and where the rule of rulers is justified by a boot to the face.

China experts on left and right will object that demanding Mr. Wei's release before the summit would be a counterproductive offense to Chinese dignity. But Mr. Wei has been released once before, in an attempt to sweeten China's bid for the 2000 Olympic Games. Though the bid failed and he was rearrested, the earlier well-timed release demonstrates that the Chinese government is not immune to pressure.

Perhaps the time has arrived to stop talking of China's sensibilities and define those American sensibilities China should be wary of offending themselves. Counting Mr. Wei's freedom among these nonnegotiables would accomplish two things.

First, it would call to mind an earlier, more successful and more sophisticated model of diplomacy employed by the Reagan administration against the Soviet Union. An approach that managed to combine tactical flexibility with moral clarity, carrots with sticks, "My friend Mikhail" with "Tear down this wall." If the past few decades teach anything, it is that American influence is magnified by our ideological assertiveness.

Second, demanding Mr. Wei's release would clarify America's ultimate objectives in dealing with China — one of which must be a China where democrats don't rot in prison. To say otherwise would deny something important about America's identity and demean the sacrifice of a brave man, who is, if the past decade is any guide, charting China's future from his prison cell.

This, by itself, is not a China policy. Many other issues should be addressed by the two leaders at the summit and elsewhere. But securing the release of Mr. Wei would prove that there is at least one concession of principle the Clinton administration will not make, and at least one Chinese citizen it will not betray.

The writer is president of the Family Research Council in Washington. He contributed this to The Washington Post.

Misguided Immigration Reform

By Anthony Lewis

BOSTON — The United States is famously a country of immigrants. It is also a country with a strain of nativism going back at least to the Know Nothing movement of the 1850s, anti-Catholic and anti-immigrant.

That ambivalence was plainly felt by the bipartisan Commission on Immigration Reform, which over the last five years considered how to create a more rational system. Its final report, submitted to Congress this past week, threaded its way between the two themes: the open door and fear of immigrants.

The report spoke in warm terms of what immigrants contribute to this country: "to its vibrant and diverse communities, its vital intellectual and cultural life, its job-creating entrepreneurship." Yet it called for a sharp cut in legal immigration starting five years from now: to 550,000 from the recent annual figure of between 700,000 and 900,000.

The commission indicated concern about harsh effects of changes made by Congress last year in immigration procedures, eliminating the right of appeal in many cases. The report called for a new Agency for Immigration Review to assure legality and accountability, subject to review in the federal courts. It urged Congress to make clear that its changes in the rules were not meant to be applied retroactively, as Attorney General Janet Reno has ordered.

But the report put major emphasis on enforcement against those who violate the rules. Its most striking proposal was to abolish the Immigration and Naturalization Service and split its functions. Enforcement would go to a new agency in the Justice Department. The State Department would have the service role: passing on applications for admission and naturalization.

That proposal drew cheers from the chairman of the House appropriations subcommittee that handles INS funds, Harold Rogers, Republican of Kentucky. The INS, he said, "cannot control our borders, process immigrants and safeguard U.S. citizenship. We've seen tens of thousands of criminals granted the most precious benefit our country has to offer: U.S. citizenship."

Mr. Rogers's statement that "tens of thousands of criminals" were granted citizenship by the INS was, to put it politely, mistaken. And it indicates a danger of the commission report.

In fiscal year 1996, the INS, urged by Congress to reduce a naturalization backlog, granted citizenship to 1,049,000 applicants. It turned out later that 72,400 of those had been flagged by the FBI when it examined their fingerprints. That led to angry denunciations by Republican members of Congress. The INS then had an audit done by Peat Marwick. Of the 72,400 cases, 16,400 showed an arrest for a felony of the kind that would make a person ineligible for naturalization. Most of those proved to be only arrests, not convictions, and hence would not bar naturalization. The audit, which is continuing, has so far found 300 cases where a convicted person was improperly naturalized.

The Immigration Service did make mistakes. After a series of columns on INS miscarriages of justice, I well know that it is not perfect. But by the standards of performance in any large organization, public or private, 300 mistakes out of 1,049,000 cases is not bad. And 300 is not "tens of thousands."

The danger of the line taken by the Commission on Immigration Reform is that, if inadvertently, it will encourage the worst in American attitudes on immigration. It will encourage members of Congress who at heart do not like immigrants. It will feed nativism.

Bashing immigrants turned out to be bad politics when the Republican Congress tried it. But there is a subtler way to do it: charge that criminal aliens are out of control, that the government is incapable of solving the problem, that there must be a Draconian solution.

The commission, I fear, has given credence to that kind of argument. Splitting enforcement and service in the immigration field would most likely lead to more punitive enforcement, and to less responsive service from a State Department unequipped for the job. Changing an organization chart will not solve what are complex, ambivalent human challenges.

The New York Times

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1897: Twain in Vienna

VIENNA — Intellectual Vienna has been in a state of great mental excitement as to whether a certain Mr. S. Clemens, who was expected in Vienna, would prove to be the veritable "Mark Twain." Now all doubts are at rest — "Mark Twain" is here. Vienna is the last stage in the voyage of "Mark Twain" and family round the world. In all probability the next story from his pen will be on Austrian life. He intends going among the people and seeing how they live. This he can easily do, as he speaks German very well and reads it still better.

1922: Woman Senator

WASHINGTON — Mrs. W. H. Felton, of Cartersville, Georgia, has been appointed by Governor Hardwick as the first woman to be a United States Senator. She will fill the vacancy caused by the death of Senator Tom Watson. Although she will be a member of the senior legislative body, it is unlikely that she will ever sit in the Senate chamber, because Congress will probably not be convened again until after the November elections and she will not stand for re-election.

1947: Austrian Fears

VIENNA — Foreign Minister Karl Gruber, in a slashing public attack on the Communist party and the Soviet Union, charged that Russia was keeping Austria in a state of nervous fear. The Foreign Minister also accused the Communists of placing Austria "in a period of brutal political blackmail." Contributing further to the edgy feeling, authoritative Austrian government quarters charged that the Communists plan to expose "plots" against the Red Army in eastern Austria, in an effort to discredit the Austrian government.

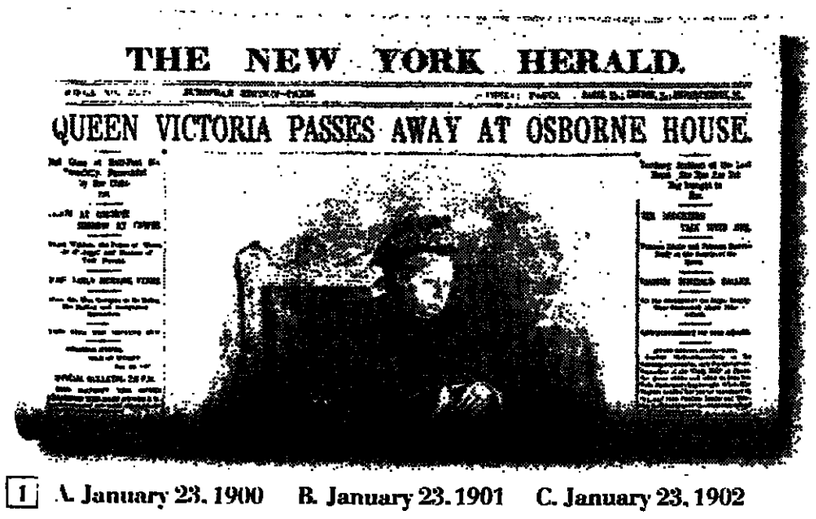
هكذا من الأصل

هكذا من الاصل

Celebrate our 110th Anniversary today and win a FREE 10-year subscription!

Second prizes: 110 copies of 'The Front Page 1887-1997' featuring 150 historic International Herald Tribune front pages.

To enter, simply put a date to these landmark issues in the history of The World's Daily Newspaper.


THE NEW YORK HERALD.
QUEEN VICTORIA PASSES AWAY AT OSBORNE HOUSE.

1 A. January 23, 1900 B. January 23, 1901 C. January 23, 1902

THE NEW YORK HERALD
THE LUSITANIA SUNK OFF THE IRISH COAST BY GERMAN PIRATES

2 A. May 8, 1915 B. May 8, 1916 C. May 8, 1917

NEW YORK Herald Tribune
Spanish Rebels Drive to 10 Miles from Madrid
Hitler Opens 11th Olympic Games, With 5,000 Athletes
Typhoid Plot by Black Legion Charged by Detroit Member
LEWIS STARTS LABOR'S DRIVE FOR ROOSEVELT
Halt Called as Leaders Prepare For Concerted Attack on Capital
France to Sell Arms to Spain, If Others Do, Cabinet Decides

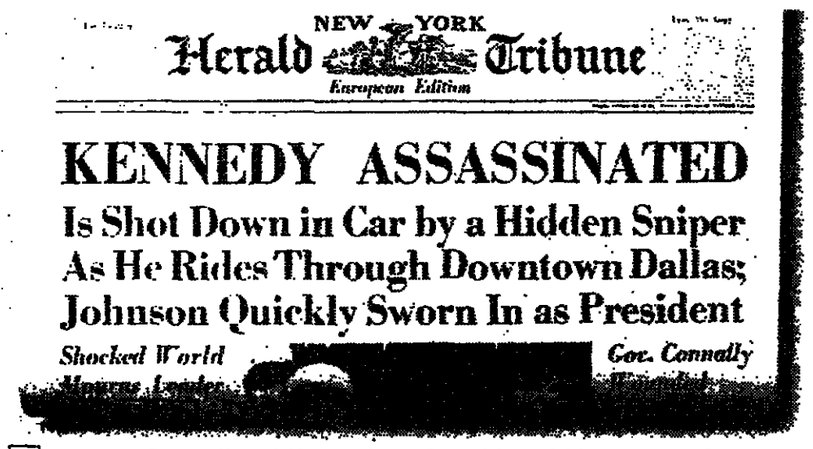
3 A. August 2, 1934 B. August 2, 1935 C. August 2, 1936

NEW YORK Herald Tribune EUROPEAN EDITION
Gandhi Is Assassinated by Hindu; Assembly Votes Gold Trading Bill
Schuman's Program Is Completed
Plane Lost In Atlantic 32 Aboard
Leader Shot On His Way To Prayers

4 A. January 31, 1947 B. January 31, 1948 C. January 31, 1949

NEW YORK Herald Tribune European Edition
Russia Fires First Astronaut Into Space: He Lands Safely After 89 Min. in Orbit
Kennedy Calls Feat 'An Important Step'
Space Race Began Over Decade Ago
Mercury Speed-Up Pondered
Is Watched on TV, Says 'I Feel Fine'
Spaceman Faced Host Of Perils

5 A. April 13, 1961 B. April 13, 1962 C. April 13, 1963


NEW YORK Herald Tribune European Edition
KENNEDY ASSASSINATED
Is Shot Down in Car by a Hidden Sniper As He Rides Through Downtown Dallas; Johnson Quickly Sworn In as President
Shocked World
Gov. Connally

6 A. November 23/24, 1963 B. November 23/24, 1964 C. November 23/24, 1965

INTERNATIONAL Herald Tribune
Israel and Egypt Sign Peace Treaty
Carter Cautions on Difficult Steps Ahead

7 A. March 27, 1979 B. March 27, 1980 C. March 27, 1981

MONDAY SPORTS INTERNATIONAL Herald Tribune
Mandela, Free, Says Armed Struggle Must Go On Until Conditions Change
He Makes A Gesture To Whites

8 A. February 12, 1988 B. February 12, 1989 C. February 12, 1990

How to enter the IHT Landmark Issues Competition

Circle your chosen date A, B or C against each numbered landmark issue of the IHT on the entry form. Fax it to the International Herald Tribune on (33 1) 41 43 92 16 or post it to Landmark Issues Competition, International Herald Tribune, 181 Avenue Charles de Gaulle, 92521 Neuilly-sur-Seine, France. Winners will be picked from the correct entries in an official draw. The first correct entry drawn will win the Grand Prize, the next 110 entries drawn, the Second Prizes.

Rules and Regulations

1. Closing date: [illegible] October [illegible], 1997. 2. Void only where legal. No purchase necessary. 3. Entries will not be accepted from staff and families of the IHT [illegible] prohibited. 5. No correspondence will be entered; no proof of postage will be accepted as proof of receipt. 6. No cash alternative [illegible] 7. [illegible] and published character in the IHT. The first correct entry drawn will be the Grand Prize Winner. The next 110 correct entries [illegible] 8. [illegible] the publisher of the IHT will be final. 9. The publisher reserves the right at his absolute discretion to disqualify an [illegible] the competition at any stage [illegible]

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

Competition Entry Form.

Post to: Landmark Issues Competition, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Or fax to: (33 1) 41 43 92 16.

1 A B C 2 A B C 3 A B C 4 A B C
5 A B C 6 A B C 7 A B C 8 A B C

Your Details

Family Name:

First Name: Job Title:

Mailing Address: ☐ Home ☐ Business

Postal Code: City: Country:

Tel: Fax: E-Mail Address:

☐ I do not wish to receive information from other carefully screened companies.

Please help us with this information:

I receive my IHT by subscription ☐

I have subscribed since 19

I buy my IHT at a newsstand

Daily ☐ Frequently ☐

Occasionally ☐

I got this copy at:

☐ Hotel ☐ Airline

ART

A Menagerie of Carnival Art

By Matt Wolf

LONDON — Brass-band music, the sound of laughter and, best of all, those sturdy, fancifully colored creatures gently bobbing up and down: in the pre-plastics age, they were the carousel, a whirligig of joy whose art could be said to constitute its own heady ride.

For years, fairground art was used, if at all, to decorate restaurants that got a kitschy kick out of brightly colored horses and centaurs propping up the bar, or maybe a barrel piano alongside the inevitable period jukebox.

Carnival art, however, occupies its place within naive and folk art traditions, as collectors are now starting to realize. Monday, in the Somerset village of Wookey Hole in the West Country of England, Christie's South Kensington will auction "The Tussauds Collection of Fairground Art," named for the amusements company whose best-known attraction is the wax museum in London.

It is believed to be among the largest single-owner collection ever to come on the market: 120 animals and 70 figurative pieces expected to fetch about $650,000. These pieces have a nostalgic appeal, reflecting an era of ornate carving and elegant Art Deco lettering that has since given way to tacky fiberglass creatures festooned with cartoon drawings.

"You miss the fun," said Peter Haylings, general manager of Wookey Hole Caves, the tourist attraction formerly owned by Tussauds that has housed the collection for almost 25 years. "It's a little bit sterile." But if these animals can no longer be ridden, they can at least be admired as representative of a craftsmanship and attention to detail that — it hardly needs pointing out — are long gone.

The collection encompasses a genre begun in the 1830s and '40s that reached its peak between the 1890s and World War I, changing with mechanization.

One first notices the animals: pigs, cows and rabbits (and even a zebra) favored by the domestically minded French, alongside the cockerel, ostrich and "galloper" horse preferred by the more equestrian English, as befits the country that produced the animal painter George Stubbs. Elaborately carved and painted, the creatures spoke to a public appetite for a splendor at once immediate and utilitarian. While London had its grand Victorian pubs — the so-called gin palaces — to impress the worker for whom stately homes were off-limits, rural communities took pleasure in great gilt Baroque decorations, gushing forth music and steam.

"These were popular entertainment," said Olivia Bristol, the Christie's specialist in London who put the sale together. "They were not for the gentry, not for cathedrals and palaces. They were for traveling around from small town to small town for the general public to spend a penny a ride."

The machine age brought attractions like the portable movie theater, or "bioscope," that was a splendid miniature of the celebrated movie palaces of the period. Among the pricier items is the wooden centerpiece of a bioscope facade showing a charioteer flanked by winged horses decorated with the original gold leaf; a sale is estimated at between $95,000 and $130,000.

Other pieces of note include a carved and painted giraffe and rearing stag, the latter with real antlers, both products of the Dentzel workshop in Germantown, Pennsylvania.

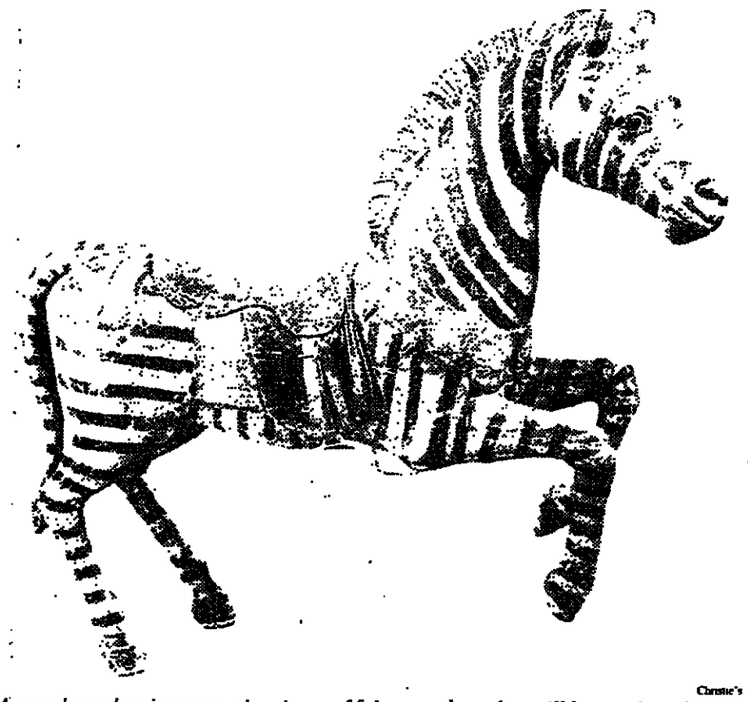
And though the American figures are among the more imposing — unlike European ones built to travel, American fairground pieces tended to be permanent — no less delightful is an unusually graceful painted sea horse from Friedrich Heyn, who carved the imaginative mythical creatures for which the Germans were best known.

Or a British-made turkey with a double seat from the same manufacturers, Orton & Spooner, whose exuberantly colored galloping dragon possesses the animation mostly limited nowadays to, well, animation.

Many American pieces — also from the 1890s — were props imported to England for the West End premiere of the Rodgers and Hammerstein musical "Carousel" in 1950, only to linger on unremarked in some prop house or theater basement.

It is only in recent years that fairground art has even featured in any major way at auction. A New York sale of carousel art at Sotheby's in March 1990 brought in $1,018,345, though 54 lots went unsold and only 68 percent of the pieces found a buyer.

Matt Wolf wrote this for The New York Times.



Christie's

A wooden zebra is among the pieces of fairground art that will be auctioned.

"The Customs Point and San Giorgio Maggiore" by Turner at the Cini Foundation exhibition.

Venice, the Republic and Myth

An Anniversary Inspires 3 Exhibitions for the Fall

By Roderick Conway Morris
International Herald Tribune

VENICE — More than a thousand years of Venetian Republican independence ended not in heroic defiance but low farce when, on May 12, 1797, the Serenissima's government, overcome by a collective fit of funk in the face of Napoleon's invasion, voted itself out of existence by 512 votes to 30 with 5 abstentions.

As the last doge, Lodovico Manin, disrobed, he handed his servant Bernardo the linen cap worn beneath the ducal bonnet, saying: "Take it — I shall not be needing it any more." Bernardo took his master at his word and pocketed it as a souvenir.

The 200th anniversary of the demise of the republic has inspired three exhibitions this autumn, the surprise star of which is "The Serenissima's Public Statuary Museum: 1596-1797" at the Marciana Library in the Piazzetta opposite the Doge's Palace.

Classical statuary is not the art form that instantly springs to mind at the mention of Venice, but the city has a superlative public collection, normally housed in the Archaeological Museum, which attracts few visitors. The enterprise of the present show is to re-create, using contemporary engravings and records, the original arrangement of the Statuary Museum as it was for 200 years in the vestibule of Sansovino's Library building (inaugurated in 1560). The reconstruction, containing many fine pieces, is an impressive sight, and numerous smaller items, including some wonderful bronzes and cameos (among the latter a quite extraordinary second-century B.C. head of Zeus from Ephesus, the "Giove Egioco"), are on display in the ornate main hall of the library beyond the vestibule.

THE city's museum of Greek and Roman antiquities, founded in the 1520s as one of the first public institutions of its kind, was made possible by a series of major donations that continued right up to the final days of the republic. The initial gift was from Domenico Grimani, patriarch of Aquilea, who died in 1523, the same year as Antonio, his father. Antonio had been condemned to death and brought back to Venice in chains in 1499 for incompetence and cowardice, having lost a vital sea battle to the Turks, but was a sufficiently wily politician to get himself not only rehabilitated but eventually elected doge.

Domenico's bequest to the state of first-class sculptures and manuscripts was probably in part a gesture calculated to improve the family's still-tarnished reputation, but Domenico set a trend that soon made Venice's collection one of the most significant anywhere, and provided Titian, Tintoretto and many other Venetian artists with an invaluable source of classical reference and example, which they could study without even leaving the lagoon.

At first, the museum was in the Doge's Palace, but after a subsequent large bequest by Giovanni Grimani (Antonio's grandson), a new home was sought and the transfer of the museum to the library was completed in 1596. Although not originally designed as a museum, Sansovino's vestibule proved an ideally bright, airy and architecturally noble backdrop for the ancient sculptures, as can now be seen once again, even if the display of so many pieces in close proximity goes refreshingly against modern museum practices. (The special exhibition in the library hall continues until Nov. 2, but the statuary will remain in place until at least March 1998.) Miraculously the Public Statuary Museum escaped the pillage of the Napoleonic occupation under the protection of the remarkable Iacopo Morelli, who served as chief librarian and curator from 1778 until 1819, and in the course of repeated invasions and upheavals not only kept the collection intact, but even managed to add to its holdings.

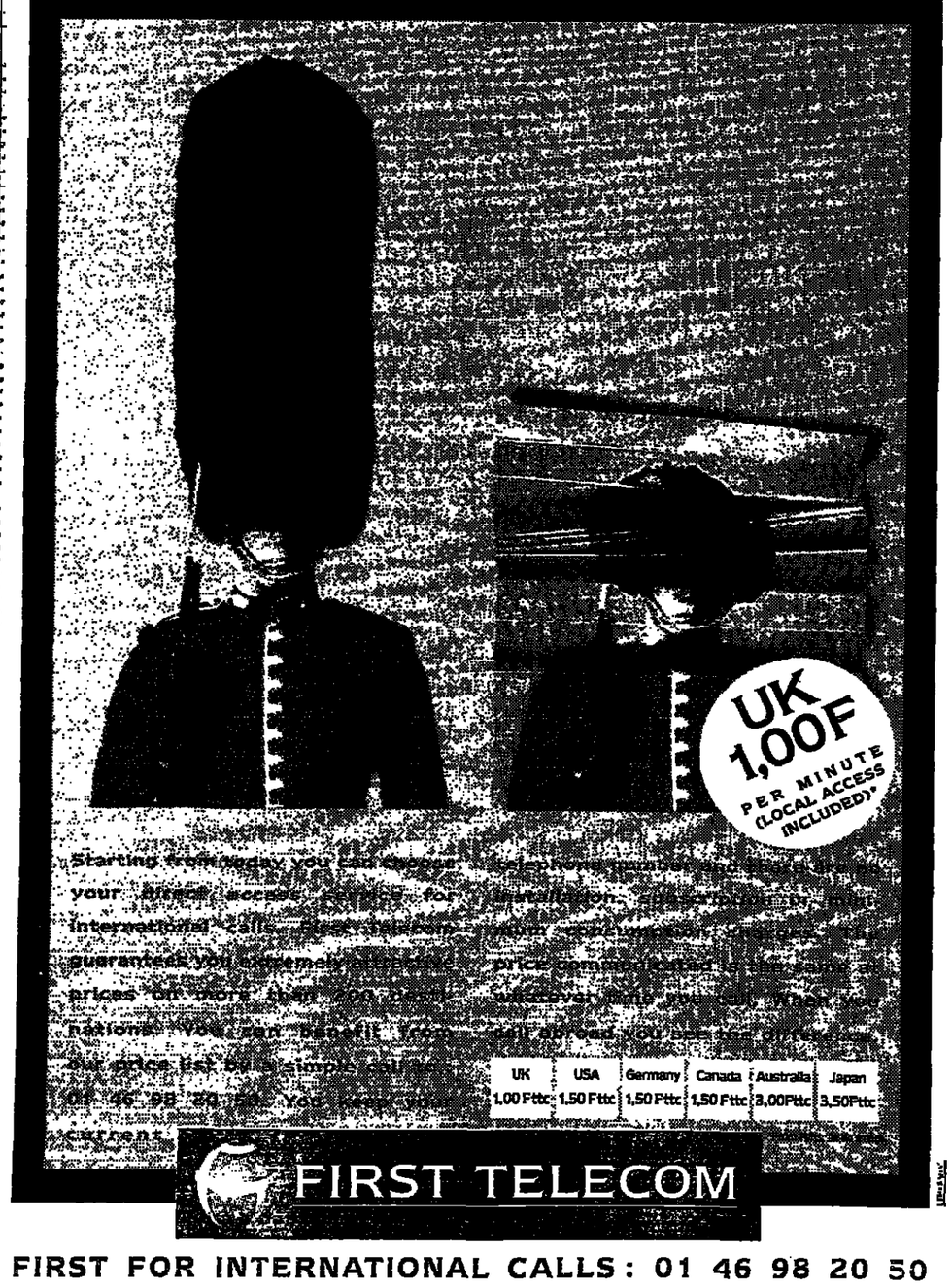
The Great Council Hall in the Doge's Palace, where for centuries Venice's republican oligarchy deliberated and where they finally in panic decreed their own abolition, provides the appropriate setting for the opening part of "From Doges to Emperors" (until Dec.8). This exhibition, which has further sections in the neighboring hall and the Empire-style Napoleonic wing of the Correr Museum across Piazza San Marco, illustrates through paintings, engravings, popular satirical cartoons and other documents the history of Venice from the fall of the republic, through alternating French and Austrian domination to the decades of Habsburg rule which led up to Venice's unification with the new Kingdom of Italy in 1866. There are some pertinent and evocative exhibits here, but the show will be more rewarding to those with some knowledge of the political ins and outs of the period than to someone coming entirely fresh to it.

The late Professor S.E. Finer, in his monumental "History of Government from the Earliest Times," unequivocally declared the system of Renaissance Venice "the best in the world," and indeed for stability, internal peace and social harmony the Venetian Republic in its heyday was without equal, and still being looked to as a model by the Founding Fathers of America. The Serenissima was highly conscious of this image and did everything it could to broadcast it, giving rise to the so-called "myth" of Venice's political perfection — a myth, however, containing an unusually high content of reality.

"Venice: From State to Myth" at the Cini Foundation on the island of San Giorgio Maggiore (until Nov. 30) invokes the myth of Venice in its title, but makes little effort to delve into what lay behind it. The first section, which contains some powerful images by Venice's leading Renaissance artists, including Carpaccio's majestic "Lion of St. Mark" and works by Titian, Tintoretto and Veronese, most closely addresses the exhibition's putative theme and highlights how effective Venetian artists were in giving visual expression to the political assumptions of the myth. This remained true even when Venice lost its superpower status in the era of Canaletto and Guardi, also represented here.

THE myth of Venice expired with the republic, and the many Italian and foreign artists who later came to the city were drawn entirely by its beauty and exoticism rather than its prestige, wealth and symbolic significance. But the exhibition seems to imply that this gave rise to a new myth, which causes confusion given that "the myth of Venice" is a term with specific historical connotations. The show embraces the works of some 150 artists from the 15th to the 20th centuries and, although it includes canvases and sketches by major later figures, such as Turner, Monet and Sargent, these are not necessarily their best Venetian productions. It remains, however, an interesting compendium of paintings of Venice — and a reminder of how difficult it is to compete on canvas with a city that is already a stupendous artwork in itself.

With First Telecom, call the Englishman on the left and pay as if you'd called the one on the right.



FIRST FOR INTERNATIONAL CALLS : 01 46 98 20 50

RELIGIOUS SERVICES

AMSTERDAM

CROSSROADS INTERNATIONAL CHURCH Interdenominational & Evangelical Sunday Service 10:00 a.m. & 11:30 a.m./ Kids Welcome. De Cuserstraat 3, S. Amsterdam Info. 020-641 8812 or 020-6451 653.

FRANKFURT

English Speaking International Catholic Parish, St Leonhard, Alte Mainzer Gasse 8, 60311 Frankfurt, Germany, Tel/Fax 069-283177, Mass schedule: Saturday 5 p.m., Sunday: 10 a.m. Confessions: *1/2 hour before Mass.*

St. Mary's Church for English-speaking Catholics Altenhöferweg 7, Oberursel/ Oberstedten (Church of St. Petrus Canisius), Holy Mass, Sun. 11:00 Pastor Fr. Bruaris. 069-71911430 (home) or 06171-25963 (Office).

FRANCE/TOULOUSE

HOPE INTERNATIONAL CHURCH (Evangelical). 4, bd de Pibrac, Colomier. Sunday service 6:30 p.m. Tel.: 05 62 74 11 55.

FRENCH RIVIERA/CÔTE D'AZUR

NICE: Holy Trinity (Anglican), 11 rue Buffa. Sun. 11; **VENCE:** St Hugh's, 22, av. Résistance, 9 a.m. Tel: 33 04 93 87 19 83.

MONTE CARLO

MONACO CHRISTIAN FELLOWSHIP Worship Service, Sundays: 11 a.m. 9, rue Louis Notary, Monte Carlo. Tel.: 377 92 16 56 47.

PARIS and SUBURBS

EMMANUEL *BAPTIST CHURCH* - 56, rue des Bons-Raisins, 92500 Rueil-Malmaison. Worship: 9:45 - 11:00 a.m.Sunday School. For more info call 01 47 51 29 63 or check: http://www.geocities.com/ParisMetro/1352.

HOPE INTERNATIONAL CHURCH Hotel Orion at Paris-la-Défense, 8 bd. de Neuilly. Worship Sundays. 9:30 a.m. Rev. Douglas Miller, Pastor. T.: 01 43 33 04 06 Métro 1 to la Défense Esplanade.

SAINT JOSEPH'S CHURCH (Roman Catholic), MASS IN ENGLISH: Sat. 6:30 p.m.: Sun. 10 a.m., 12 midday, 6:30 p.m. 50, avenue Hoche, Paris 8th. Tel.: 01 42 27 28 56. Métro: Charles de Gaulle - Etoile.

RELIGIOUS SOCIETY OF FRIENDS (QUAKERS). Unprogrammed (silent) meeting for worship. Sundays 11 a.m. Centre Quaker International, 114 bis, rue de Vaugirard, 75006 Paris. All Welcome. +33 01 45 48 74 23.

TOKYO

ST. PAUL INTERNATIONAL LUTHERAN CHURCH, near Ibebashi Stn. Tel.: 3261-3740. Worship Service: 9:30 a.m. Sundays.

TOKYO UNION CHURCH, near Omotesando Subway Sta. Tel.: 3400-0047. Worship Services: Sunday - 8:30 & 11:00 a.m., SS at 9:45 a.m.

SWITZERLAND

BASEL CHRISTIAN FELLOWSHIP English-Speaking non-denominational. Tel. +41 61 302 1674. Sundays 10:30 Mühlere Strasse 13, CH-4056 Basel.

ZURICH-SWITZERLAND

ENGLISH-SPEAKING CATHOLIC MISSION: St. Anton Church, Minervastraße 63 Sunday Mass: 8:30 a.m. & 11:30 a.m. Services held in the crypt of St. Anton Church.

UNITARIAN UNIVERSALIST

THE UNITARIAN UNIVERSALIST FELLOWSHIP invites you to its 12 noon, September 28 service. The Rev Johanna Bocks will preach on "Creating and *Maintaining Community among Expatriates*". Foyer de l'Ame, 7 bis, rue du Pasteur Wagner, 11e. Metro Bastille. All welcome! Non-dogmatic religious education for children and teens. Child care. Meditation and spiritual growth groups. Social activities. INFO: 01.30.82.75.33.

THE EPISCOPAL CHURCHES OF EUROPE (Anglican)

PARIS and SUBURBS

THE AMERICAN CATHEDRAL OF THE HOLY TRINITY, Sun. 9 & 11 a.m., 10:45 a.m. Sunday School for children and Nursery care. Third Sunday 5 p.m. Evensong. 23, avenue George V, Paris 75008. Tel.: 33-01 53 23 84 00. *Métro: George V or Alma Marceau.*

FLORENCE

ST. JAMES' CHURCH, Sun. 9 a.m. Rite I & 11 a.m. Rite II. Via Bernardo Ruccellai 9, 50123, Florence, Italy. Tel.: 39/55 29 44 17.

FRANKFURT

CHURCH OF CHRIST THE KING (Episcopal/Anglican) Sun. Holy Communion 9 & 11 a.m. Sunday School and Nursery 10:45 a.m. Sebastian Rinz St. 22, 60323 Frankfurt, Germany. U1, 2, 3 Miquel-Allee. Tel: 49/69 55 01 84.

GENEVA

EMMANUEL CHURCH, 1st & 3rd Sun. 10 a.m. Eucharist; 2nd & 4th Sun. Morning Prayer. 3 rue de Monthoux, 1201 Geneva, Switzerland. Tel.: 41/22 732 80 78.

MUNICH

THE CHURCH OF THE ASCENSION, Sun. 11:45 a.m. Holy Eucharist and Sunday School, Nursery Care provided. Seybothstrasse 4, 81545 Munich (Harlaching), Germany. Tel.: 49/89 64 81 85.

ROME

ST. PAUL'S WITHIN-THE-WALLS, Sun. 8:30 a.m. Holy Eucharist Rite I; 10:30 a.m. Choral Eucharist Rite II; 10:30 a.m. Church School for children & Nursery care provided; 1 p.m. Spanish Eucharist. Via Napoli 58, 00184 Rome. Tel.: 39/6 488 3339 or 39/6 474 3569.

BRUSSELS/WATERLOO

ALL SAINTS' CHURCH, 1st Sun. 9 & 11:15 a.m. Holy Eucharist with Children's Chapel at 11:15. All other Sundays: 11:15 a.m. Holy Eucharist and Sunday School. 563 Chaussée de Louvain, Ohain, Belgium. Tel. 32/2 384-3556.

WIESBADEN

THE CHURCH OF ST. AUGUSTINE OF CANTERBURY, Sun. 10 a.m. Family Eucharist. Frankfurter Strasse 3, Wiesbaden, Germany. Tel.: 49/611.30.66.74.

EUROPEAN BAPTIST CONVENTION

BERLIN

I.B.C., BERLIN. Rothenburg Str. 13, (Steglitz). Sunday, Bible study 10.45, worship Service 12.00 noon. Charles Warford, pastor. Tel.: 030-774-4670.

BRATISLAVA - SLOVAKIA

I.B.C., The Iuventa, Karloveska 64, Auditorium 104B. Worship Sun. 10:00. Tel.: (07) 715367

BREMEN

I.B.C., Hohenlohestr. Hermann-Bose-Str. Worship Sun. 17:00, Pastor telephone: 0421-76 648.

BUCHAREST

I.B.C., Strada Popa Rusu 22. 3:00 p.m. Contact Pastor Mike Kemper, Tel. 312 3860.

BUDAPEST

I.B.C., meets at Moricz Zsigmond Gimnazium, Torokvesz ut 48-54. Sun. 10:00. Tel. 250-3932.

BULGARIA

I.B.C., World Trade Center, 36, Drahan Tzankov Blvd. Worship 11:00. James Duke, Pastor. Tel.: 971 - 2192.

DARMSTADT - GERMANY

I.B.C., Wilhelm-Leuschner Str. 104, Darmstadt-Griesheim, Bible Study Sun. 16:00. Tel.: (0611) 941-0503.

FRANKFURT

INTERNATIONAL CHRISTIAN FELLOWSHIP, Ev.-Freikirchliche Gemeinde, Sodenerstr. 11-18, 83150 Bad Homburg. Sunday Worship, Nursery & SS: 11:20 A.M. Mid-week ministries, Pastor M.Levey. Call/Fax: 06173-62728.

BETHEL I.B.C. Am Dachsberg 92 (English), Worship Sun. 11:00 a.m. and 6:00 p.m. Tel.: 069-549559.

HOLLAND

TRINITY INTERNATIONAL invites you to a Christ centered fellowship. Services 9:00 and 10:30 a.m. Bloemcamplaan 54, Wassenaar 070-517-8024 nursery prov.

NICE - FRANCE

I.B.C. 13 rue Vernier, English service, Sunday evening 18:30, pastor Roy Miller - Tel.: (04 93) 32 05 98.

ST. PAUL DE VENCE - FRANCE

St. Paul de Vence - France I.B.C., Espace St. Claire, Level "0". Bible Study Sun. 9:30. Worship Sun. 10:45. Tel: (0493) 320-696.

PRAGUE

I.B. FELLOWSHIP, Vinohradska # 68, Prague 3. Sun. 11:00. Tel.: (02) 311 7974.

WATERLOO

WATERLOO BAPTIST FELLOWSHIP Sun. 19:00 at Swedish Church, across from MacDonalds, Tel.: (02) 353 1565.

ZURICH - SWITZERLAND

I.B.C of Zürich, Gheistrasse 31, 8803 Rüschlikon, Worship Services Sunday mornings 10:30. Tel.: 1-4810018.

ASSOC. OF INT'L CHURCHES

BERLIN

AMERICAN CHURCH IN BERLIN, cor. of Clay Allee & Potsdamer Str., S.S. 9:30 a.m., Worship 11 a.m. Tel.: 030-8132021.

GENEVA

EV. LUTHERAN CHURCH 20 rue Verdaine. Sunday worship 9:30, in German 11:00 in English. Tel: (022) 310.50.89.

JERUSALEM

LUTHERAN CHURCH of the Redeemer, Old City, Muristan Rd. English worship Sun. 9 a.m. All are welcome. Tel.: (02) 6281-049.

PARIS

AMERICAN CHURCH IN PARIS. Worship 11:00 a.m. 65, Quai d'Orsay, Paris 7. Bus 63 at door, Metro Alma-Marceau or Invalides.

ZURICH

INTERNATIONAL PROTESTANT CHURCH English speaking, worship service, Sunday School & Nursery. Sundays 11:30 a.m., Schanzengasse 25. Tel.: (01) 2625525.

SYNAGOGUES

THE CONSERVATIVE JEWISH COMMUNITY IN PARIS "Adath Shalom" invites you to join them for Rosh Hashonnah and Yom Kippur services. For details and seats, phone 01.45.53.57.47 or write Adath Shalom, 22 bis rue des Belles Feuilles, 75016 Paris.

COMMUNAUTE JUIVE LIBERALE - TOULOUSE. Join us in our new synagogue for weekly services and for the upcoming High Holidays. Contact Emmanuel Kiss at 05.62.26.30.79 (6:30-8:00 pm) or kes@ibcg.biotoul.fr.

هكذا من الاصل

New York Art Gift Is a Mixed Bag

By Roberta Smith
New York Times Service

NEW YORK — After a prolonged courtship involving competing museums, the Museum of Modern Art won the Dannheisser sweepstakes last year, landing 82 works of American and European art from the collection assembled by Elaine Dannheisser and her husband, Werner, during the 1980s and early '90s. Now the museum is sealing the deal with the requisite exhibition, a handsomely installed affair that spreads through half the museum's third floor.

The gift is mostly a good thing. In many instances, it makes up for the missed acquisition opportunities that are a fact of museum life, expanding the Modern's accounting of recent art, especially from the 1980s but reaching as far back as the 1960s while also creeping, somewhat tentatively, into the '90s. It reflects collectors who were often willing to buy in depth and to acquire works that do not dwell quietly above the living room couch or blend with the decor.

Sculpture, video, installation and large-scale photography outnumber paintings here, although there are several works by the painters Brice Marden and Robert Ryman. And generally artists known for abrasive, unsettling or bulky statements prevail. Joseph Beuys, Jeff Koons, Matthew Barney, Sigmar Polke and Cindy Sherman are represented by three to 6 works each; the American sculptors Bruce Nauman and Robert Gober by no less than 10.

High points include Barney's "Drawing Restraint No. 7," with its ring of suspended video monitors showing tapes of wrestling satyrs in a small, chillingly lighted gallery; two small video works by Nauman involving double monitors, and the many Gobers, which, installed in their own gallery, amount to a mini-retrospective.

The gift also includes a number of impressive firsts for the Modern's collection: sculptures by Reinhard Mucha and Katharina Fritsch, a photo work by Richard Prince and a searing painting of a rape by Sue Coe.

Another standout is a group of works by Felix Gonzalez-Torres, who died in 1996 at the age of 38. His ephemeral and inexpensive idea of beauty, symbolic of the inexorable brevity of life, is everywhere evident here. It is expressed in piles of brightly wrapped candy; stacks of paper printed with a bright blue stripe; a billboard-size photograph of a rumpled bed that suggests absent lovers and a little forest of tall cones made simply of tape and tracing paper.

History may not ultimately judge Gonzalez-Torres as great, but the subversive intent of his art has perhaps never been more evident. In this company he offers a breath of fresh air, continually undercutting the notion of masters and masterworks that lies so undisturbed over most of this exhibition.

Which brings us to why the Dannheisser gift is "mostly" a good thing. Perhaps it's poor form to look a gift horse in the mouth, but this collection reflects a consensus-driven taste rather than a highly personal sensibility or rigorous eye.

MOMA unveils the Dannheisser collection of 82 modern works.

Indeed, recent accounts of the Dannheissers' collecting suggest that they rid themselves of works as soon as they became unfashionable, which may explain the collection's generic tone.

In addition there are low points and dead wood. Once you get beyond the numbers, many of the inclusions seem perfunctory. The works by Sherman do not always show the artist at her best. Not all the Polkes are first rate, nor is every Nauman. And works by Gilbert and George, Lawrence Weiner, Dan Graham, Anselm Kiefer and Richard Artschwager seem anomalous.

It is a measure of how predictable and fashionable this collection is that a good, early Bartlett or a Salle would seem like eccentric taste in this context. And one longs for works by other far less-known artists working at various angles to the mainstream, just to disrupt the flow of anointed names. This job is largely left to Coe, whose fiery painting is relegated to a hallway.

But a museum's got to do what a museum's got to do, and a collection like this is valuable not so much for what it looks like as a whole as for how it supplements works that the Modern already owns, some of which reflect a desire to move beyond the mainstream.

All will be revealed as the museum integrates these works into its permanent collection, if not soon, then in the expanded Modern that hovers somewhere in the middle distance.

"On the Edge: Contemporary Art From the Werner and Elaine Dannheisser Collection" will be at the Museum of Modern Art through Jan. 20.

The Collector: Degas We Never Knew

International Herald Tribune

SOUREN MELIKIAN

NEW YORK — It seems hard to accept that we knew so little about an artist as famous as Degas, perhaps the best studied French painter. Yet, the fascinating show that opened this week at the Metropolitan jolts some of our most basic ideas about this towering master's oeuvre.

"The Private Collection of Edgar Degas" (until Jan. 11) is a cross-section of the hundreds of paintings, drawings and prints with which he surrounded himself, those by the painters he admired and those done by himself. The artist planned to have them all in a Degas Museum and took many notes for a catalogue to be. Neither came about, but as it stands, partially reconstructed for just three months, the collection is illuminating.

Forget about Degas the Impressionist, it tells the viewer. The master of the ballet scenes did not see fit to include any of them. Impressionist landscapes shine by their absence. In his "Musee Imaginaire," to borrow the phrase coined by Andre Malraux, Degas jumps from the great classical tradition of portraiture, his overriding passion, straight into the advanced modernity of his time.

Although he greatly admired Italian draftsmen of the Renaissance or Netherlandish painting of the 17th century — Degas expressed outrage at the heavy-handed restoration to which the Louvre Museum subjected Rembrandt's "Pilgrims at Emmaus" and induced an art critic friend to write scathingly about the abrasive cleaning of Rubens's "Henriette of France" — he made no attempt to buy any. The collector's only paintings predating the 19th century were a masterly portrait of a woman done in 1771 by Jean-Baptiste Perroneau possibly inherited from his father, two El Grecos, which he acquired at the instigation of his collector buddy Henri Rouart, and a painting of a horse by a follower of Aelbert Cuyp.

What the collector turned to was the grand European portrait painting tradition as represented by the generation that preceded his own. Degas had boundless admiration for Ingres and Delacroix. But whichever artist they were by, the portraits he got hold of display fundamental kinship. Men and women alike either give the viewer a searching look or seem absorbed in their inner thoughts as if all wanted the answer to some troubling question.

From the matching portraits of Jacques-Louis Leblanc and his wife, done by Ingres in 1823, to the likeness of Abel Widmer painted about 1824 by Delacroix, or the large standing figure of the collector Louis-Auguste Schwiter, seen in a garden setting borrowed by Delacroix from Gainsborough or Thomas Lawrence, there is a common thread that goes far back into the European tradition — probing the human soul, suggesting complex emotions.

"Head of a Woman," c. 1821, oil on canvas, by Ingres.

In a variant on this theme, Degas also sought small-format studies depicting contained distress. Jean-Francois Millet's portrait of his young wife, uncomely and forcing a brave smile on her closed lips, Ingres's profile of a young woman looking up in dreamy resignation as if painfully conscious of her premature repleteness are small masterpieces in that "intimiste" approach.

THE same search for psychological studies drove Degas when he turned his attention to his contemporaries. From the American painter Mary Cassatt, who held him in such high reverence, the collector obtained what is perhaps her greatest portrait, "Girl Arranging Her Hair," painted in 1886. It is all about tremulous youth, unsure of itself, fresh and blooming, despite the girl's ungainly features. Renoir's "Mademoiselle Henriette Henriot," done in 1874, is in a similar vein. A faint sketchiness aside, neither picture has much to do with Impressionism.

The portraits that Degas painted and kept for himself belong in the same century-old European tradition. That is true of his two self-portraits, including one that may have been influenced by Ingres's self-portrait. It is even truer of his admirable group portraits "Monsieur and Madame Morbilli," painted around 1865, shows his sister and her husband, both unsmiling, as if caught off their guard, in a moment of distraught surprise.

This reaches an apex in the monumental "Family Portrait" also known as "The Bellelli Family." His sister stands, eyes lost in the distance with a Holbein-like expression reminiscent of the German Renaissance painter's "The Princess of Cleves."

Had it stopped at that, the artist's collecting would have been merely surprising. What makes it astounding is that his penchant for time-honored tradition was matched by an equally strong attraction to very modern trends. Degas acquired some of Manet's toughest pictures, such as the quasi-Expressionist "Berthe in Mourning," and a very unconventional Cezanne picture of 1883, "Bather," with a pre-Fauve touch to its contrasted colors.

His choice of works by Gauguin and van Gogh is even more striking. At a sale held in 1891, Degas bought "La Belle Angele," perhaps the most daring picture from Gauguin's Pont-Aven period in which the space is broken up into unrelated areas under the influence of Japanese woodblocks — the woman's portrait appears like a large inset isolated from the rest of the composition by part of a circular frame.

Degas then followed this up with some of the harshest pictures that Gauguin painted in Tahiti. "Woman of the Mango," has an intense Fauve-like palette, "Sulking" is a very sculptural portrait of a cross-legged Tahitian woman with a brutality that puts it light-years away from the collector's own art. But it was not style or school that mattered to Degas, it was the novelty. Gauguin's "A Vase of Flowers" painted in 1896, one of the most beautiful still lifes of the 19th century, cannot be conveniently slotted into a category.

Art at its most unconventionally vigorous is what the painter-collector seems to have been looking for from his contemporaries. The two wonderful still lifes from van Gogh's Arles period that Degas bought are not typical productions. In one, "Two Sunflowers," the blossoms fill the composition, framed by swirling strokes as in some anticipation of the Op Art of the 1960s.

THE art lover's roving eye, forever ready for the rare and the unusual, covered a stupendous range. While he ignored Impressionism he acquired some extraordinarily bold prints, in etching and aquatint, by Pissarro. Degas took equal interest in the cartoons of Daumier, of which sneering overtones occasionally creep into his cabaret scenes, and in Japanese prints, of which he owned over 100.

The collector's sense of quality was unfailing, matched by complete freedom of mind. While he acquired some very traditional portraits by Delacroix, Degas also owned an early pastel landscape with a windswept sky that is reminiscent of late 18th-century British watercolors, and a landscape in oil done about 1850 at Champrosay, discreetly Romantic in the Barbizon manner, if much terser and bolder. Degas's small group of landscapes by Corot included some of the greatest by the artist, including a superb view of the Roman Campagna.

In short, as an art collector, Degas comes out as a towering figure. Had his own works left lying in the studio on his death been edited out as Ernest Rouart, the son of his old collector friend, had been requested to do by Degas, the collection would have been matched by a dazzling if unusual Degas anthology.

Few exhibitions in recent years match this one for its wealth of revelations. With the accompanying book co-authored by Ann Dumas, Colta Ives, Susan Alyson Stein and Gary Tinterow, it stands out as one of the Met's most brilliant achievements. How France passed up on that one when it was offered the chance of hosting it is beyond comprehension.

BOOKS

MALAGA BURNING
An American Woman's Eyewitness Account of the Spanish Civil War
By Gamel Woolsey.
Introduction by Zalin Grant.
204 pages. $22. Pythia Press.

Reviewed by Samuel Abt

LIKE the "Guernica" painting, most books about the Spanish Civil War are conceived in large splashes on broad canvases. Not this one. Gamel Woolsey, whose "Malaga Burning" was published in 1939 under a less graceful title and was quickly forgotten, was a miniaturist. She described the three-year war only from its beginning in July 1936 until that October and she wrote mainly about the village she was living in and nearby Malaga. Within this spare framework, she crafted a small gem. "Malaga Burning" is barely 200 pages long but it embraces the world.

In that time, she writes, the world for most Spaniards was their village. "For a village in Spain is a unity; its inhabitants are like members of a clan, they have a close and indissoluble bond. 'My village' is constantly in the mouth of a Spanish countryman. It is more than 'my country.'"

For Woolsey, an American poet, and her husband, the English writer Gerald Brennan, their world was even smaller. It was their home, "our newly bought farmhouse where we hoped to live cheaply and at peace on the produce of our gardens and orchards, far from the troubles of Europe in this remote Iberia where nothing ever changed."

She introduces the farm's workers — Maria, the cook-housekeeper, who "was hard upon mankind in general and spent a great deal of time in disapproving"; her daughter Pilar, "a melancholy widow" who did most of the labor around the house; her son, Enrique, the gardener: "You could see him standing sometimes when he was not at work gazing up into a flowering orange tree with a sort of ecstatic wonder on his face, as if he were waking in the morning of the world." This book is about them and, always including Woolsey and Brennan, a handful of others (Juan, the baker who is betrayed and slaughtered; a faceless crowd of fatuous English refugees from the war; a young journalist who is upset that the people of Andalusia are unable to speak anything but Spanish, which he doesn't; the seven members of the Crooke Larios family who are in open hiding at the Woolsey-Brennan home).

The civil war arrives at the farm that night, when Maria wakes them to announce that Malaga is burning.

"'There's been an uprising,' she said, 'and they've set fire to the city.'" The daily air is filled with planes dropping bombs.

Woolsey follows the events of the war in ways that seem antique now. She and Brennan take a bus into Malaga to view the damage, they walk to Torremolinos to discuss with friends the desirability of leaving on an English destroyer, they listen on a radio — "a wretched little thing" on which "all languages sounded alike and all incomprehensible" — and they weigh the rumors. Truckloads of ragtag troops loyal to the republic pass their farm and leave behind impossible speculation; Woolsey laughs at the gossip of the English who are fleeing the rape and plunder they have witnessed or at least heard about from other misinformed Englishmen.

"I was not really afraid of anything happening to ourselves," she writes to explain why she decided to stay. "I did not even believe that there was any immediate danger to our Spanish friends. We did not then know the horrors which were going to take place in Spain, the cruel murders by the terrorists among the parties of the Left, the brutal massacres by the extremists on the other side."

Woolsey is especially good when she tries to explain the ferocity that swept Spain and to answer those who said this savagery was due to the violence of the Spanish character. If she does not pardon her neighbors, she does not blindly condemn them either. This is the way it was, she says, and not very different from the way it always had been, not only in Spain but also in England and other colder-blooded countries. This was "the worst kind of civil war, with religious feeling, class feeling, political differences, sectional feeling, all engaged — any one of which in the past has proved enough to embitter whole nations."

A dreadful war, then, like all wars, and nearly incomprehensible 60 years later in Spain. At least along the coast, Andalusia is today an entire strip of high-rise buildings catering to the vacation trade, among which passion for social justice is at best banked. *Hideous Malaga* should be burning, but for aesthetic, not political, reasons. Villages up the hills proliferate with the television satellite dish.

Franco's forces won the civil war and lurched the country into a sort of modernity, which has accelerated at warp speed since his death in 1975. It is easy to say that Woolsey, who returned to Spain and died in the late 1960s, would not know the place, but perhaps she would. She bore witness to character, and that endures.

HER book arrives with a graceful introduction by the American writer Zalin Grant, a neighbor and friend in Brennan's old age. Grant says he has given the book "the lightest and most mechanical kind" of editing in hoping to salvage it from the forgotten. "Gamel Woolsey's voice," he writes, "remains her own: as pure and clear as a mountain stream in the Sierra Nevada." Yes it is.

International Herald Tribune

NEW AUTHORS
PUBLISH YOUR WORK
ALL SUBJECTS CONSIDERED
Authors world-wide invited
Write or send your manuscript to
MINERVA PRESS
2 OLD BROMPTON RD. LONDON SW 7 3DQ

ARTS

CLAUDE MONET IN GIVERNY
THE HOUSE and GARDENS of CLAUDE MONET-THE LILI POND
Open from Tuesday to Sunday
from 10 am to 6 pm without interruption until Oct 31
Closed every Monday except May 19 and July 14
FF35 for complete visit - FF25 for gardens
FF20 for children 7-12, FF25 for adult groups
Take west highway dir. Rouen, exit Bonnières, Giverny by Vernon (EURE)
+ 33 (0) 2 32 51 28 21

REMBRANDT AND HIS SCHOOL
drawings from the Frits Lugt Collection from octobre 2 to novembre 30 daily except on Mondays, from 1 p.m. to 7 p.m.
121 rue de Lille, Paris 75007
metro Assemblée nationale
institut néerlandais

The INTERNATIONAL FINE ART AND ANTIQUE DEALERS SHOW
October 17-23, 1997
Daily: 11am-8pm. Sunday and Last Day: 11am-7pm
Benefit Preview for Memorial Sloan-Kettering Cancer Center: October 16, 6-9pm
Purchase with confidence antiques, pictures and works of art from 78 of the top dealers from the United States and Europe. All items have been strictly vetted for quality, authenticity and condition.
THE SEVENTH REGIMENT ARMORY
PARK AVENUE AT 67TH STREET, NEW YORK CITY
Information: New York (212) 642 8572 or London (0171) 734 5481
http://www.haughton.com or email: info@haughton.com
HAUGHTON FAIR
Brian & Anna Haughton also organise The International Asian Art Fair (March) and The International Fine Art Fair (May)

THE SAN FRANCISCO
FALL ANTIQUES SHOW
Benefiting Enterprise for High School Students
October 30 - November 2
Fort Mason Center
Festival Pavilion
For information call
(415) 546-6661

NAGEL
Viewing: October 11th - 16th, 1997
AUCTION
Stuttgart
Modern Art
October 18th, 1997
Pierre Auguste Renoir
Landscape, 1911
oil/canvas, signed 14.5 x 29.3 cm
Catalogue: DM 50.- (Prepayment)
Since 1922 • Art Sales for more than 70 years
Stuttgarter Kunstauktionshaus • Dr. Fritz Nagel
D-70030 Stuttgart: Postfach 10 25 54 • Aller-trasse 31-33 • 70190

pAn amsterdam
National Art and Antiques Fair
4 - 12 October 1997
RAI-Parkhal

auction sales
IN FRANCE
PARIS
DROUOT RICHELIEU
9, rue Drouot 75009 Paris - Tel.: 01 48 00 20 20
Monday, October 13, 1997
Room 6 at 2:15 p.m. FURNITURE - OLD AND MODERN BOOKS. Etude TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31.
Thursday, October 16, 1997
Rooms 5&6 at 2:30 p.m. FURNITURE – WORKS OF ART – EARTHENWARE – SILVER – OLD MASTER PAINTINGS, from Chateau de Mello and great collectors. Etude TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31.
Friday, October 17, 1997
Room 14 at 2:15 p.m. 260 MODERN AND CONTEMPORARY PAINTINGS AND DRAWINGS. Etude TAJAN, 37, rue des Mathurins, 75008 Paris, tel.: 33 (0) 1 53 30 30 30 - fax: 33 (0) 1 53 30 30 31.
In NEW YORK please contact Kerry Maisonrouge & Co. Inc. 16 East 65th Street, fifth floor, N.Y. 10021. Phone: (212) 737 35 97 / 737 38 13 - Fax: (212) 861 14 34.

PARIS
ART GALLERY FOR SALE
Art Gallery prestigious area, 50 a.m., in historical site, "Club des Feuillants" Rue St. Honoré, near Vendome
Excellent condition, stone, beams, in private courtyard, visible from street. Security. 6,000 FF per mth+ takeover
FOR APP. CALL + 33 (0) 1 40 20 94 60

ASSADOUR
Paintings Watercolors
October 1997
Galerie Cahiers d'Art
14 Rue du Dragon
75006 Paris
(33) 1 45 48 76 73

International Herald Tribune ads work

هكذا من الأصل

THE INTERMARKET

☎ +44 171 420 0348

FRIENDSHIPS

EDITH BRIGITTA FAHRENKROG
THE INTERNATIONAL PARTNERSHIP AGENCY IN EUROPE

MATCHING THE RIGHT PARTNERS IS MY BUSINESS.
PERSONAL INDIVIDUAL ASSISTANCE IS MY SERVICE.
CONFIDENCE IS MY HIGHEST PRIORITY.

FRANKFURT — HEAD OFFICE: FRANKFURT, DAILY 3 - 7 P.M. 60316 FRANKFURT/MAIN, ELKENBACHSTR. 51, GERMANY TEL: +49 - 69 - 43 19 79 • FAX: +49 - 69 - 43 20 66

PARIS — PARIS OFFICE: MON - FRI 9 A.M. - 6 P.M. PARIS 75008, 72 RUE DU FAUBOURG-ST-HONORE TEL: + 33-1- 40 07 86 87 • FAX: + 33-1- 40 07 80 40

NEW YORK — U.S.A. OFFICE: NEW YORK, MON - FRI 9 A.M. - 4 P.M. NEW YORK, NY 10019, 730 FIFTH AVENUE, 9TH FLOOR TEL: (1) 212 - 333 - 8785 • FAX: (1) 212 - 333 - 8720

SOUND INDIVIDUAL CONFIDENTIAL — PERSONAL APPOINTMENTS ARE ALSO POSSIBLE IN: ROME - GENEVA - LONDON LOS ANGELES - SINGAPORE - HONG-KONG

A FANTASTIC CHARMING SPANISH BEAUTY . . . IN HER YOUNG 30'S, BEAUTIFUL AND FASCINATING, WITH AN EASY GRACEFUL ELEGANCE AND ENCHANTING NATURE. A BRIGHT PERSONALITY, FROM AN UPPER CLASS TRADITIONAL FAMILY WITH AN EXCELLENT EDUCATIONAL BACKGROUND (MBA, DEGREES IN INT'L. LAW, SEVERAL LANGUAGES, PIANO) AND A LOT OF INTERESTS: DEEP SEA DIVING, HORSEBACK RIDING, MUSIC, ETC. A VERY COSMOPOLITAN AND SOPHISTICATED WOMAN, SMART, VIVACIOUS AND WITH A GREAT SENSE OF HUMOR. A CHARISMATIC BEAUTY WHO WANTS TO SHARE GREAT ASPECTS OF LIFE WITH THE RIGHT PARTNER.

MONTE CARLO - SWITZERLAND - WEST FLORIDA . . . EUROPEAN INDUSTRIALIST - A MAN OF THE WORLD. IN HIS 50'S AT HIS BEST, 1.80, AN INT'L. SUCCESSFUL OWNER AND PRESIDENT OF HIS WORLDWIDE COMPANIES. A REAL GENTLEMAN WITH GREAT CHARISMA AND CHARMING TEMPERAMENT. A TYPICAL MEDITERRANEAN APPEARANCE, MASCULINE AND VERY ELEGANT. HE IS INTERESTED IN MANY KINDS OF SPORTS, CULTURAL EVENTS AND HUMANITARIAN PROJECTS. WITH AN EXCELLENT BACKGROUND AND MARVELLOUS RESIDENCES IN EUROPE AND THE US, A GENEROUS AND STRONG PERSONALITY WHO WISHES TO OFFER THE BEST OF EVERYTHING TO THE WOMAN AT HIS SIDE.

A YOUNG SMART AND ENCHANTING DUTCH BEAUTY. . . ...CHEERFUL, VIVACIOUS, WITH A BRIGHT TEMPERAMENT: A SUNNY BEAUTY (LATE 20'S/1.74) WHO LOVES LIFE. SHE IS VERY SUCCESSFUL IN HER PROFESSION (UNIV. DEGREES). AN ADMIRABLE PERSONALITY, FULL OF VITALITY, ENTHUSIASTIC AND WITH A LOT OF CHARM... SHE HAS WONDERFUL LONG BLOND HAIR, A BEAUTIFUL AND RADIANTLY FEMININE APPEARANCE WITH A GRACEFUL FIGURE. A SOPHISTICATED LADY WHO LOVES CULTURE AND SPORTS. ALSO A PERFECT HOSTESS (GRANDE CUISINE FRANCAISE) AND VERY WELL ORGANISED. AN ENCHANTING LADY. GENEROUS, TENDER AND WARM-HEARTED WHO CAN LIVE EVERYWHERE WITH THE RIGHT PARTNER.

PLEASE CALL

WORLDWIDE ELITE — gabriele thiers-bense — MARRIAGE MEDIATION

...to the best in international society

CALIFORNIA - WESTERN EUROPE
WEALTHY US-COSMOPOLITAN WIDOW & DREAM-WOMAN

In her VERY BEST YEARS - her vital fifties..., 5'6" tall, slim, gracious and of incomparable versatility, presenting in every respect finest style, selected luxurious taste and profound knowledge - A HIGHLY ESTEEMED LADY AND LEADING US-HIGH-SOCIETY MEMBER who - quite obviously - has been worshipped as wife and woman...! - Administering her heritage and several exclusive estates and superb art-collections she takes great delight in an eclectic international life-style moving frequently between the US-West-Coast and mainly France & Italy - IF YOU WISH TO BE COMPLEMENTED, INSPIRED & "ENTERTAINED" by a woman who knows the rules of happiness... If you really wish to furnish the rest of your life with someone WHO KNOWS YOUR STYLE, then you should not hesitate - SHE IS ONE OF A MILLION!

Exclusively for you...
Personally since 1975
Tel.: +49 - 89 - 649-2205
Fax: +49 - 89 - 649-2224

the sophisticated introduction...

MARBELLA via GERMANY
SUCCESSFUL ARCHITECT & MILLIONAIRESS

AND ONE OF THE MOST BEAUTIFUL - SOPHISTICATED AND REFINED - SUCCESS-WOMEN to be found! She is 42/5'7" tall, of slender, simply gorgeous, appearance - a perfectly independent, genuine "artistic individual" who designs and builds the most impressing projects... and yet, in private, she is the purely feminine, unpretentious woman who seeks within a marriage and partnership no envy or rivalry but more so honest confirmation and admiration, which she definitely "deserves"...! - Her natural beauty and overwhelming tender personality is just as magic as her civil courage - From one of the traditionally rich families she is accustomed to any society demands but also to harmonious family patterns and having accomplished extraordinary tasks there is but one desire left: A LOVE FOR LIFE AND ONLY FOR MARRIAGE!

Daily 11-19 hrs. • Germany • 82031 Munich-Grünwald • Otto-Hellmann - Str. 5 • By appointment

Represented in Paris — Berlin — the USA — Singapore — Melbourne

Active for you on a worldwide scale

Claudia Püschel-Knies. The favorite partnership agency of the world's select circles for more than 20 years. We establish contacts among the most distinguished clientele: educated, cultured personalities of the top of society, the business elite and international VIPs.

A very distinguished, elegant Swiss gentleman

Late 40s, 181m, a charismatic man of the world, outstanding background, highest social level (LL.D.), executive function of worldwide organisations. A highly cultured, very charming, francophilic man with "savoir vivre", at home in Paris, second residence in Washington, a sportsman - tennis, golf, sailing (own yacht) - with a love for music and art and a particular sense of beauty, a real aesthete. Inspite of all his responsibilities, professional commitment and social obligations he always regards his family, the happiness of his beloved partner and everything they share as the most important thing in life... He is ever so humourous and kind-hearted, generous, sensitive and considerate but he frankly admits that life loses its "glory" without a woman who brings feminine gracefulness, laughter and beauty into it!

An outstanding, elegant beauty in her 40s:

A real lady from a very wealthy, international, European family of entrepreneurs at home in the whole world - She lives in London and belongs to England's select circles (guest of the Royal family); she is simply irresistible, a lady from tip to toe, with style and a very natural charm about her, with laughter and esprit: a happy person who brings joy into other's lives! She has a great passion for music and art, likes tennis and golf, winter- and watersports; a woman of "noblesse", yet of modest nature, who welcomes eminent personalities among her guests, who likes to commit herself to others, who is no longer impressed by money and everything that goes with it! She is the ideal partner for a cultured man of character with high ethical values, whose deep feelings and concerns she reflects. To make the acquaintance of a woman like her - combining so much love and class - is hardly anything that happens to you by coincidence!

Do you feel impressed? Please call us: You can reach us daily from 3 to 7 p.m., also Sat/Sun on Fax (0049)6241-975113
Head offices - Europe, Germany, Frankfurt - Ms. Hoffmann. T (0049) 69/242 77 154 + Germany, Düsseldorf, Ms. Zimmermann. T (0049) 211/329357

Friendships

EXCEPTIONAL French Businessman, living in South of Spain, single, white, in his forties, very desirable, very funny, unfortunately has not had much time to look for the unique woman who is well educated, sexy, very funny, wealthy, financially independent and who's ready to share experiences and pleasures of the wonderful new & exciting life. This unique person will be maximum in her 40s. She needs to have some notions of French. Answer newspaper and include two different pictures. Write to Box 410, IHT, 92521 Neuilly Cedex, France

IRELAND, very beautiful woman, 39 years old with international government position. Brunette, very refined, sexy, and romantique. Open minded, passionate about travel, arts, sports and life. Single, she's dreaming of a harmonious future with man 35 - 50 years old who is joyful, tender, cultivated. Madame DESACHY, 43 Bd. Haussmann, 75009 Paris. Tel: +33 (0)1 43 12 33 12

Lovely American, European educated, with beauty, energy, care, compassion, and a sense of humor, youthful 40, accomplished professional currently living in Paris, travelling extensively but wishing to settle, seeking to meet kind, reliable gentleman for whom marriage and family life are true priorities. Write to IHT, Box 408, 181 Ave Charles de Gaulle, 92521 Neuilly Cedex, France

INT'L. SUCCESSFUL BUSINESSMAN, well educated, US citizen, highly cultured and considerate, in his fifties is looking for a woman life partner. Age no barrier. Love tennis, music, travel, nature & fine dining. Please write with photos to: The Adventurer, 32-B, Shelter Cove Lane, No. 114, Hilton Head Island, SC 29928 USA.

ROME: Smarts and witty conversation. Roman lady, divorced, independent, in her fifties, good English, wants to meet white gentleman, maximum 60, classy, good looking. Please call 1-3 p.m. or 7-11 p.m. 39 368 3287239

ASIAN LADIES seek marriage. Details: ICE BREAKERS, 545 Orchard Rd, 10-03 Far East Shopping Ctr, Singapore 238882 Tel: 65-732 8745, Fax: 65-235 3780. http://www.gt.com/icebreakers

BEAUTIFUL BLOND, 40, 1m72, elegant sincere, moral values, educated, seeks gentleman, 42/55, wealthy, serious, to share life together. Write with photo Box 409, I.H.T., 92521 Neuilly Cdx, France

YOUNG LADIES WORLDWIDE seek friends/Mentors. Details and 400 photos free! HERMES, Box 610199/E, D-10622 BERLIN. FAX +49-30-2529975

DANISH Lady, 44, wants to meet wealthy Gentleman. Tel: UK 171 7307698 or Box 298, IHT, 63 Long Acre, London WC2E9JH

NANNIES/DOMESTICS

Nannies & Nurses
International Staff Agency
WE SPECIALISE IN THE PLACEMENT OF EXPERIENCED & QUALIFIED
* NANNIES * GOVERNESSES
* BABY MATERNITY NURSES
EXCELLENT CARE ASSURED
PLEASE TEL: 44 171 589 5789
OR FAX: 44 171 838 0740
20 BEAUCHAMP PLACE, LONDON, SW3

THE LONDON NANNY COMPANY
Trained British Nannies, Governess & Maternity Nurses
All our staff are personally interviewed and reference checked.
A friendly professional service
Tel: + 44 171 838 0033
Fax: + 44 171 589 1188
27 Thurloe Street, London SW7 2LQ

IMPERIAL NANNIES
BRITISH NANNIES GOVERNESSES BABY NURSES
Personally vetted, highly experienced and professional with excellent references.
AVAILABLE NOW
Open Monday - Saturday
Please telephone Alison Day NNEB on
Tel: +44 171 589 6132
Fax: +44 171 589 0092
25 Thurloe Street, LONDON SW7 2LH (AGY)

STAFF of DISTINCTION
Quality vetted staff immediately available. Our experienced Consultants are here to solve your staffing needs. Call now to discuss your requirements.
COUPLES • HOUSEKEEPERS
H.K./NANNIES • CHEFS/COOKS
BUTLERS/VALETS • ESTATE MANAGERS
No Registration Fee. Open Monday-Saturday
Tel: +44 171 589 5494/5
Fax: +44 171 589 0095
25 Thurloe Street, LONDON SW7 2LH (AGY)

MONROE NANNIES
KNOWN INTERNATIONALLY FOR THE VERY BEST
NANNIES/MATERNITY NURSES
GOVERNESSES/MOTHER'S HELPS
All staff are fully experienced in the care of infants & young children & we provide a very professional & caring service
TEL: (44 171) 409 0910 FAX: (44 171) 629 4165
34 BROOK STREET, MAYFAIR, LONDON, W1

Cinderella
Top agency est. 1982
NANNIES, MOTHER'S HELPS, BABY NURSES, AU PAIRS, GOVERNESSES
Welcomes Sarah Bell with immediate effect to our long established team
All staff interviewed Qualifications and references verified.
Tel: 44 171 499 3034 Fax: 44 171 499 3035

Domestic Positions Available

DOMESTIC STAFF-Highest calibre experienced Couples, Butler/House Managers, Nannies, Chefs, Housekeepers, & P.A's-all scrupulously vetted. HUTCHINSON's Employment Agency 44 (0)171 581 0010

PRIVATE HOUSE, SOUTH OF FRANCE seeks Head Waiter/Butler, 5 years minimum in the same house. Send CV, photo, references & salary required to: Box 414, IHT, 92521 Neuilly Cdx, France

PRIVATE HOUSE, SOUTH OF FRANCE seeks house Maid/Seamstress. 5 years minimum in the same house. Send CV, photo, references & salary required to: Box 415 IHT, 92521 Neuilly Cdx, France

PRIVATE HOUSE, SOUTH OF FRANCE seeks Chef / Cook, 5 years minimum in the same house. Send CV, photo, references & salary required to: Box 416, IHT, 92521 Neuilly Cdx, France

Domestic Positions Wanted

FRENCH COUPLE, Him: Cook 30 years old with diploma & 10 years experience. Her: Waitress 5 years experience. Seek job, if possible live-in, anywhere in U.S.A. Speak some English. Tel: +33 (0)3 89 74 64 11, Fax: (0)3 89 41 42 37

BUTLER CHAUFFER Houseman Valet English 39, ex British Royal Protection Officer, excellent references seeks position Tel: Eaton Bureau +44 181 997 3029 Fax: +44 181 991 2565

COUPLE, FRANCO PORTUGAIS Maître d'hotel, chauffeur, femme de chambre, couture, cuisine, capacite de gestion. VASQUES - Tel: 351-1-9133429 Fax: 4577509

BILINGUAL ASIAN, cook and experienced chauffeur, seeks similar job in Europe. Tel: Paris +33 (0)1 69 05 16 43.

COUPLE, experienced, chauffeur/butler, cook/housekeeper. Spanish/French/some English. Fax: +351 1-45 77 352.

DOMESTIC SOLUTIONS AGENCY
The specialists for Butlers, Chauffeurs, Companions, Cook/Housekepers, Couples & Security staff.
Tel 44-171 589 3368 Fax 171 589 4966

UK & OVERSEAS AU PAIR AGENCY
NANNIES, MOTHERS HELPS, all live-in staff. 87 Regent St. London W1B 7HF. Tel: 171 494 2929 Fax 171 494 2922

GENERAL

See Monday's Internarket
for Recruitment, Education, Secretarial, Internet Services.
To advertise contact Sarah Wershof on +44 171 420 0326 or fax +44 171 420 0338
A GREAT DEAL HAPPENS AT THE INTERMARKET

Personals

THE UNDERSIGNED
is interested in locating
Martine Gallarague and Jean Brieuc Dugard beneficiries of the Estate of Marcelle Robertson as well as her late husband Robert Robertson.
We are also seeking to locate Janine Rodrique in connection with said estate.
If you have any information concerning the above 3 people, please contact.
JOEL S. STERN:
STERN, WIENER and LEVY, LLP
950 Third Ave. NEW YORK, NY 10022.
Tel: 1 212 355-7220.
Fax: 1 212 371-3215.

THANKS to the Sacred Heart of Jesus and Saint Jude for Prayers Answered. RRK + AMKB.

URGENT: US girl in Rambouillet France seeks recontact with Floridian man met in London 24/09. Fax +33(0)1 3483 2449

Announcements

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

SUBSCRIBER CUSTOMER SERVICE: For questions or queries about the delivery of your newspaper, the status of your subscription or about ordering a subscription, please call the following numbers: EUROPE, MIDDLE EAST AND AFRICA: TOLL FREE - Austria 0660 8120 Belgium 0800 17538 France 0800 437437 Germany 0130 848585 Italy 167 780040 Luxembourg 0800 2703 Netherlands 06 0225158 Sweden 020 797039 Switzerland 155 5757 UK 0800 895965 Elsewhere (+33) 1 41439361 THE AMERICAS: USA (toll-free) 1-800-9822884 Elsewhere (+1) 212 7523880 ASIA: Hong Kong 2922 1171 Indonesia 809 1928 Japan (toll-free) 0120 464 027 Korea 3672 0044 Malaysia 221 7055 Philippines 895 4946 Singapore 325 0834 Taiwan 7753456 Thailand 277 4485 Elsewhere (+852) 29221171

LINGUISTIC STAY IN PARIS - French courses with qualified teacher. 15 hours per week. In Teacher's home (live-in): FF4,490 / week or independent studio FF3,350 / week. Tel +33 (0)1 4252 1659.

BRIONI. The finest hand-made suit. Largest selection in Switzerland at WEINBERG the leading men's store. Bahnhofstr. 13, Zurich 01-211 29 50

FEELING low? - having problems? SOS HELP crisis-line in English. 3 p.m - 11p.m. Tel: Paris (01) 47 23 80 80

SEEK FOR COLLECTOR, Gold Bank American shares (American Railroad) before & after 1850, prefer Segmaw. Fax: PARIS +33 (0)1 42 08 05 67.

WRITERS! Tame Your Computers with CYBERJOZ author Bruce Balan, Paris Oct. 9, 7:30pm. FF60. Tel: 01 4273 3375

Auto Rentals

RENT AUTO DERGI FRANCE: Weekend FF500. 7 days FF1500. Tel: Paris +33 (0)1 4388 5555. Fax (0)1 4383 9529

Auto Shipping

SAVE ON CAR SHIPPING. AMESCO, Kriibeestr 2, Antwerp Belgium. To/From US, Africa. Regular Ro-Ro sailing. Free hotel. Tel: 32/3231-4239 Fax 232-6353

Autos Tax Free

new-TAX-FREE used
ALL LEADING MAKES
Same day registration possible
renewable up to 5 years
We also register cars with (expired) foreign (tax-free) plates
ICZKOVITS
Alfred Escher Street 10, CH-8027 Zurich
Tel: 01/202 76 10. Fax: 01/202 76 30

25 YRS OCEANWIDE MOTORS
worldwide supply of tax-free cars AUDI Mercedes, BMW, Porsche. Call Germany +49-211-4493930, fax 49-211-44 935322

Legal Services

DIVORCE 1-DAY CERTIFIED
Call or Fax (714) 998-8695. Write: 16787 Beach Blvd. #137, Huntington Beach, CA 92649 U.S.A.- e-mail - wsiorm@juno.com

DIVORCE IN 1 DAY. No travel. Write: Box 377, Sudbury, MA 01776 USA. Tel: 978/443-8387, Fax: 978/443-0183.

Colleges & Universities

EARN UNIVERSITY degrees utilizing work, life & academic experience. For evaluation & information forward resume to: Pacific Southern University, 9581 W. Pico Blvd., Dept. 121 Los Angeles, CA 90035 USA

BACHELOR'S, MASTER'S, PH.D. Religious Studies. Authorized. Accredited. Tel: 818-426-8650 Fax: 818-842-5949.

GET A COLLEGE DEGREE in 27 DAYS BS/MS/MBA/PhD., etc. Including graduation ring, transcript, diploma. Yes it's real, legal, guaranteed and accredited. COLUMBIA STATE UNIVERSITY 1-504-465-1409 24 hours

Business Opportunities

RESORT VILLAGE. SALE / LEASE. Aegean coast Turkey. In operation since 1996. 600m sea front. 950 beds. Tel: +32.2.646.32.05, Fax: +32.2.644.37.61. E-mail: aspendos@indic.be

OFFSHORE COMPANIES. For free brochure or advice Tel: London 44 181 741 1224 Fax: 44 181 748 6558/6338 www.appleton.co.uk

TELECOMMUNICATIONS

New Lower International Rates!

Germany.... 31¢
Japan..... 38¢
France..... 33¢
UK..... 19¢

- NO Set Up Fees
- NO Minimums
- Six-Second Billing
- AT&T Quality
- 24-hour Multi-lingual Customer Service

The Original **kallback**
Where Standards are Set, not Met!
Tel: 1.206.599.1991
Fax: 1.206.599.1981
Email: info@kallback.com
www.kallback.com
417 Second Avenue West
Seattle, WA 98119 USA

Business Services

YOUR OFFICE IN LONDON
Bond Street - Mail, Phone, Fax, Telex
Tel: 44 171 290 8000 Fax 171 499 7517

Business Travel

1st/Business Class Frequent Travellers Worldwide. Up to 50% off. No coupons, no restrictions. Imperial Canada Tel: 1-514-341-7227 Fax: 1-514-341-7998. e-mail address: imperial@login.net http://www.login.net/imperial

Real Estate for Sale

Monaco

SUPERB APARTMENT, 240 SQ.M., Penthouse duplex, panoramic sea view and mountains, large reception room, 3 bedrooms, 3 baths, large fully fitted kitchen, pantry, laundry room, guest dressing room, large terrace and loggias 140 sq.m., 2 cellars, 2 garages. INTERMEDIA
Tel: +377 93 50 66 84
Fax: +377 93 50 45 52

Paris and Suburbs

IDEAL "PIED A TERRE", 16th ave Foch, approximately 39 sq.m, luxurious living + bedroom. FF950K. Tel: +33(0)145535335

LUXURIOUS flat overlooking Val de Grace gardens, near Pantheon. 70 sq.m., sunny, very quiet. FF 1.9M plus parking. Tel: + 33 (0) 1 45 89 49 73. Paris 5th.

Real Estate for Rent

Paris Area Furnished

CLOSE LOUVRE, fully equipped studio, bright/spotless. Short/long term. Owner Tel +33 (0)142963967, fax (0)142614724

PORT ROYAL BD. superb, quiet, 3 beds, 2 baths, garden view, all amenities, Oct. 15 for 6-8 mo. (0)147074631.

Paris Area Unfurnished

7th, CHAMPS DE MARS, high class, 120 sq.m. + balcony-terraces, 3 bedrooms/2 baths, equipped kitchen, parking. FF17,000 net. Owner (0)1 47 27 42 81

MEETING POINT

Meeting Point

VERY PRETTY FRENCH LADY, blond with green eyes (late thirties), tall and slim (1m75, 58 kilos), refined and classy, multilingual French, English, German, Spanish (university degrees), sparkling sense of humor, education, well-traveled, excellent public relation, is looking for compatible successful gentleman (forties to fifties). A real " Homme du Monde" with a sense of responsibility. Please write with photo to IHT, Box 413, 92521 Neuilly Cedex, France

FEMININE, AFFECTIONATE American born European, high moral principles, gracious, kind, multi-lingual, well-educated, seeks gentlemen 38 - 60 with similar traits. 2206291@mcimail.com

GENERAL

Switzerland

GENEVA, LUXURY FURNISHED apartments. From studios to 4 bedrooms. Tel: +41 22 735 6320 Fax +41 22 736 2671

Employment

Educational Positions Available

CANADIAN FAMILY BASED IN PARIS, is seeking highly qualified native English speaking Governess to TEACH AND SUPERVISE tutoring of 3 young children (ages 10, 8, 6). Etiquette is of at most importance. Only top level references will be considered. Full time position. Reply to Box 420, IHT, 181 ave Charles de Gaulle-92521 Neuilly-cdx, France

DINING OUT

PARIS 6th

LE BILBOQUET
A jazz temple since 1947 which hosts the greatest jazzmen.
At the heart of Saint-Germain-des-Prés for dinner or a drink.
Gastronomical menu at a reasonable price.
13, rue Saint-Benoît. T. 01 45.48.81.84.

Yugaraj
You can sample the spicy, aromatic tandoori dishes that are becoming rage in France... "Fromager's 97" (air conditioned)
14, rue Dauphine. T: 01 43 26 44 91

PARIS 7th

THOUMIEUX
Specialities of the South-West.
Confit de canard à consommer au confit de canard. Air conditioned. Open everyday.
79 rue St-Dominique. Tel.: 01.47.05.49.75.
Near Invalides Terminal.

PARIS 17th

KIRANE'S
New Indian Restaurant fit for a Maharajah.
Regional specialities from Pondichéry.
Very good press reviews. Open everyday.
Air conditioned. • Lunch FF 99
• Dinner FF 155 to FF 199
85, av. des Ternes, - Tel: 01 45 74 40 21

AL GOLDENBERG
Malts herings - Pastrami - Cream cheese bagel and lox homemade - Cheese cake & all the trad. Jewish spec. 69 Av. de Wagram.
Tel.: 01 42.27.34.79. Every day up to midnight.

VIENNA

KERVANSARAY
Turkish & Int'l specialities, lobster spr, best seafood restaurant, 1st floor. Hollenstr. 9.
Tel.: 5128943. Air conditioned. Mon. Open. Noon-3 p.m. & 6 p.m.-1a.m., except Sunday. Open holidays.

Herald International Tribune
THE WORLD'S DAILY NEWSPAPER

PLANNING TO RUN A CLASSIFIED AD?
Place your Ad quickly and easily, contact your nearest IHT office or representative with your text.
You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours.
All major Credit Cards Accepted.

EUROPE

PARIS: (HQ) 181 Ave Charles-de-Gaulle, 92521 Neuilly Cedex. Tel.: (01) 41 43 93 85 Fax: (01) 41 43 93 70.
ANDORRA: Guido A. Benni - B.P. 279 PF Andorra La Vella. Principality of Andorra. Tel: 867 813, Fax: 867 823
GERMANY, AUSTRIA & CENTRAL EUROPE: Friedrichstrasse 15, D-60323 Frankfurt. Tel: (069) 9712 500 Fax: (069) 971 25020
BELGIUM-LUXEMBOURG: Marie de Beukelaer, 57 rue J.B. Colyns, B-1050 Brussels Tel.: (02) 346-3509, (02) 344-0117. Fax: (02) 346-0353
GREECE & CYPRUS: Permedia Athen SA, 32 Kifissias Ave., Atrina Centre, Building A' - GR 151 25 Maroussi, Athens, Greece Tel.: +301/68 51 525 Fax: +301/68 53 357
FINLAND: Eku Matkia, Oy Publiscan AB, Fredrikinkatu 33B, SF-00120 Helsinki, Finland Tel: 358 9 608 828. Fax: 358 9 646 508.
ITALY: Gianni Saddi, Via Cassala, 6 Milano 20122 Italy Tel.: (2) 5831 5738. Fax: (2) 546.2573.
NETHERLANDS: Dianne M. Biederberg, Buyslaan 31 E, 1051 HT Amsterdam. Tel. 31 20 6841080 Fax: 31 20 6861374
NORWAY, DENMARK: Finn Isdahl, P.O. Box 115 5040 Paradis, Bergen, Norway. Tel. (47) 55 913070 Fax: (47) 55 913072

EUROPE

PORTUGAL: W. Bishop Lda. P.O. Box 1081, 2775 Parede, Lisbon, Portugal. Tel. 351-1-457-7293 Fax: 351-1-457-7352.
SPAIN: Alfredo Urdaneli Sarmiento, Alberto Alcocer 46dup Office 11 - E, 28016 Madrid. Tel.: 4572858 Fax: 4586074
SWITZERLAND: Marshall Walter PO Box 511, 1009 Pully, Switzerland. Tel (021) 728 30 21. Fax: (021) 728 30 91
TURKEY: Saba Sorel, Cumhuriyet Caddesi, 169/5, Belve Apt Kat 4, Elmadag 80200, Istanbul Tel.: (90212) 230 5996/232 7150 Fax: (90212) 247 9315.
UNITED KINGDOM: 63 Long Acre, London, WC2E 9JH. Tel.: 0171 836 4802. Telex 262009 Fax: 240 0338

MIDDLE EAST

ISRAEL: Rony Kudinsky Ha'Aretz Daily Newspaper 21 Shocken Street 61001 Tel Aviv. Tel (3) 512 17 49 Fax: (3) 512 17 03
QATAR: Mr Farouk Yaminout, GULF GLOBAL GROUP P.O. Box 15407, Doha, Qatar Tel. (974) 323290/323376/410129. Fax: (974) 428379.
OMAN: c/o Bahwan Tel./Fax: (973) 591734.
SAUDI ARABIA: Contact London, 63 Long Acre, London WC2E 9JH. Tel.: 71 836 4802. Fax: 71 240 2254
UNITED ARAB EMIRATES: Mr. Ravi Rao, P.O. Box 22156, Sharjah, United Arab Emirates. Tel: (06)3511133. Fax: (06)3274888 Telex: 68484 TRINGF.

MIDDLE EAST

REPUBLIC OF YEMEN: Contact London, 63 Long Acre, London WC2E 9JH Tel.: 71 836 4802 Fax: 71 240 2254

AFRICA

EGYPT: Leila Rostom 10 Gezirat El Arab Mohandessine, Cairo, Egypt Tel.: 34 99 838 Tlx.: 21274 VPCO UN. Fax: 3444 429

SOUTHERN AFRICA

Twidale & Associates P.O. Box 4171, Rivonia 2128, Tel (2711) 803-5892. Fax: (2711) 803 9509

NORTH AMERICA

NEW YORK: 850 Third Ave., 10th fl, New York, N.Y. 10022. Tel.: (212) 752-3890. Toll free: (800) 572-7212. Fax: 212-755-8785.
TEXAS: Pepper Murphy, 801 Country Place Drive #82, Houston, Tx 77079 Tel. 281-496-9603 Fax: 281-496-9584. Toll Free: 800-526-7857.

LATIN AMERICA

ARGENTINA: Magdalena Santa. International Herald Tribune Av. Cnel. Diaz 2639 - 14A 1425 Buenos Aires, Argentina Direct Tel.: # 541 806 6444 Tel./Fax: 541 802 3704.
BOLIVIA: Miguel O. Zabala Bishop. Zeta & P. Editores, Avenida Ejército Nacional 314, Santa Cruz. Tel.: (591-3) 53 99 00 Fax: (591-3) 53 99 90.
BRAZIL: Freddy Bikyk, Brazmedia Int'l. Al.Gabriel Monteiro Da Silva, 366, 01445-900 Sao Paulo, SP, Brazil. Tel.: (5511) 853 4133. Fax: (5511) 852 6485.

LATIN AMERICA

CHILE: Manuel Acharra, Huérfanos 863 Piso 9 Casilla 2508, Santiago de Chile. Tel. (562) 632 7937 Fax. (562) 632 0126.
PERU: Fernando Sarmiento, Alvarez Calderon 155, Piso 2, San Isidro, Lima 27, Peru Tel. (5111) 442 8840. Fax: (511) 441 6422

ASIA/PACIFIC

HONG KONG: Maloyus Bldg., 7th Floor, 50 Gloucester Road, Hong Kong. Tel.: (852) 2922-1188 Tlx. 61170 IHTHX. Fax: (852) 2922-1190.
INDIA: Ronny D. Mistry, Ronny Mistry Advertising Associates, 2388 Vijaydeep, Gandhi Nagar, Bandra (E), Bombay 400 051. Tel.: 645 0204, Fax: 645 6372. Tlx: 1185171/7216 ADL.
INDONESIA: Ms Yany Purnamawati, Pacific Intermedia, 16th, fl., Arthaloka Building, Jalan Jend Sudirman No 2, Jakarta Pusat Tel.: 62-21-251 1484/1445. Tlx: 65722 LOKA IA. Fax.: 62-21-251 2501.
JAPAN: Mamoya Inoida, International Herald Tribune Advertising Office-Japan- 1F Mannichi Newspapers 1-1-1, Hitotsubashi, Chiyoda-Ku Tokyo, Japan 100 Tel.: 32 01 02 10. Tlx: J33673. Fax: 32 01 02 09.
KOREA: K. Heinz Kim Heinz Communications Inc. Room 816, Poongkim VIP Officetel 404, Gangdeok-dong, Mapo-ku Seoul 121-020, Korea Tel.: 718 3281/3282. Fax: 718 3283

ASIA/PACIFIC

MALAYSIA: Andrew MacArthur c/o Ulusan Malaya (M) Bhd. Tingkat 7, Menara PGRM No. 8 Jalan Pudu, Cheras Kuala Lumpur 55100 Tel.: (603) 981 2814 Fax: (603) 982 7751.
NEPAL: Bheem Timilsina, Media South Asia (P) Ltd., Lazimpat-2, Soraha House, PO Box 8976, Kathmandu, Nepal. Tel.: (977-1) 420 848 Fax: (977-1) 421 179.
PAKISTAN: Arif Salahuddin INS Media Sales (PVT) Ltd. 414 Panorama Centre Fatima Jinnah Road Karachi 75530, Pakistan. Tel.: 567 3628/6901 Fax: 568 3933
PHILIPPINES: Ms Bing R. Grande Asia Pacific Executive APEX Business Center Inc. Suite 910W, Philippine Stock Exchange Bldg. P.O. Box 12224, Ortigas Center, Pasig City, 1605 Philippines Tel.: (632) 637-3211 Fax: (632) 633-0751
SINGAPORE, BRUNEI: 88 Club Street, Singapore 069456. Tel.: (65) 2236478. Tlx.: 28769, IHT SIN. Fax: 325 0841.
THAILAND, BURMA: Yvan Van Quirim, Immediate Media Ltd., Room 7-D, 7th fl., Vanissa Building, 29 Soi Chidlom, Ploenchit Road, Pathumwan, Bangkok 10330. Tel.: 267-9164, 267-9165. Fax: 267-9166

AUSTRALIA

MELBOURNE: Brendan Gulliver Howe & Gulliver Pty. Ltd. P.O. Box 18044, 45 Collins Street Melbourne 8003, Australia Tel. 9650 1100. Fax.: 9650 6611.

Escorts & Guides

BELGRAVIA
ORCHIDS
LONDON - EUROPE
THE FINEST & THE MOST SINCERE 18 - 39+ INTERNATIONAL BEAUTIFUL & ELEGANT STUDENTS SECRETARIES, AIR HOSTESSES & MODELS +
AVAILABLE AS YOUR COMPANION
Escort Agency Credit Cards Welcome
TEL: LONDON ++ 44 (0)
0171 589 5237

INTERNATIONAL ESCORTS
World's First & Most Exclusive Service Models, Beauty Queens, Actresses Entertainers, Hostesses, Secretaries Multilingual Travel Companions "Rated: "Best In New York" by New York Mag. Featured in International News Media & TV. Video tapes & Photos available for selection. Credit cards accepted.
Hdqtrs: 1-212-765-7896
office@intl-escorts.com
USA & WORLDWIDE

HIGH SOCIETY
Worldwide Executive Escort Service
London Paris Zurich Brussels
Prague Stockholm Bombay USA
HDQ ++44 (0) 7000 444476
info@high-society.net

THE ROYAL PLATINUM SERVICE
EXCLUSIVE TOP FASHION MODELS
ATLANTIC
LONDON PARIS NEW YORK
ALL MAJOR CITIES IN EUROPE
++44(0)7000 77 04 11/22/33
USA & CANADA:212 786 1919
info@royal-atlantic.com
INTERNATIONAL ESCORT SERVICE

SWITZERLAND-GERMANY-BELGIUM
++31-20-427 28 27
Zurich-Geneva-Basel-Berne-Frankfurt-Mainz-Wiesbaden-Cologne-Bonn-Dusseldorf-Munich-Berlin-Brussels-Antwerp + A: Vienna
LONDON: (0)171-978 6606
COSMOS Escort Agency - Credit Cards

EXCLUSIVE AGENCY
PARIS BRUSSELS LONDON
TEL: LONDON 0044 (0)
467 497 873

PARIS
APOLLO ESCORTS
service@apollo-consultants.com
+31-654-228-124

SECRETS
24 hr EUROPEWIDE ESCORT SERVICE
Tel: ++43 (0) 316 82 6970
ONLY BEAUTY QUEENS AND MODELS
All cards. Advance bookings welcome!
secrets.escorts@dataweet.co.at

******** EUROCONTACT INT'L ********
Top local & travel service worldwide PARIS*STOCKHOLM*GENEVA*ZURICH RIVIERA*BRUSSELS*LONDON*VIENNA MILAN*ROME*all GERMANY & N.Y. Escort Service Vienna ++43-1-212 0431

HEIDI'S HIGH SOCIETY*VIENNA*PARIS COTE D'AZUR*ZURICH*GENF*MUNICH International Escort & Travel Vienna ++43/1/535 41 04 all credit cards

*MILAN * ITALY * TOP CLASS*
Escort & Guida Julie +39 (0)335.8090952
+ Rome Paris Lugano Germany - cards

"GUYS & DOLLS ESCORT SERVICE" MILAN*ROME*ITALY*LONDON*PARIS BENELUX*LUGANO*GERMANY*SPAIN COTE D'AZUR*SCANDINAVIA*TOKYO

More American Service in Europe

United States hotel chains have become big presences throughout Europe, and a competitive threat to Europe's hoteliers.

	MARRIOTT	RADISSON	HOLIDAY INN	SHERATON
Britain	32 HOTELS Adding three by 1998	13 HOTELS Has 5% of London market	40 HOTELS Mostly in England	6 HOTELS Mostly in London
Germany	5 Adding two more by 1999	15* Plan three more by 2000	60 Still growing	3 1,050-room hotel in Frankfurt
France	1 On the Champs-Elysées	2 Paris and Nice	54 50 are franchises	2 Both in Paris
Italy	0	6 All fewer than 200 rooms	12 Looking to expand	27 5,120 rooms altogether
Spain and Portugal	0	1 Lisbon	6 Wants to expand here, too	8 5 in Spain, 3 in Portugal
Netherlands, Belgium and Luxembourg	1 Amsterdam	2 Brussels and Amsterdam	24 The chain's European H.Q.	4 At least one in each country

Sources: Listed companies *Includes three Carlson Country Inns & Suites, a Radisson subsidiary. NYT

Amid Turmoil, Rupiah Plunges And Shares Weaken in Jakarta

By Thomas Fuller
Special to the Herald Tribune

KUALA LUMPUR — The Indonesian rupiah plunged 9 percent to an all-time low against the U.S. dollar Friday, one of the biggest one-day drops since the market turmoil shaking Southeast Asia began in July.

Compounding the bad news, Indonesia's already battered stock market closed down nearly 4 percent on Friday, with the Composite Index ending the day at 515.48.

Indonesia's central bank governor, Sudradjad Djiwandono, said Friday that the need by Indonesian companies to repay offshore loans had contributed to the currency's woes.

"We must admit that the rupiah continues to weaken," he said. "The assessment suggests that dollar demand remains strong because some importers have offshore loans which have to be repaid."

Others were more blunt in their assessments. "With the currency now down more than 50 percent since the beginning of the year, we have now entered a major currency crisis," Stephen Rogers, director of UBS Securities, told Reuters.

Analysts cited longer-term concerns over the high level of unhedged Indonesian corporate debt and the risk of systemic bank failure as reasons for the currency's weakness. Overall, Indonesia is estimated to have $60 billion in private-sector debt.

"The fear of corporate defaults is rising overseas," Ishak Ismail, a market analyst at Institute for the Development of Economic Analysis, an independent consulting group, told Reuters.

The rupiah at one point dipped to 3,720 against the dollar Friday.

Other currencies in the region were relatively sheltered from the rupiah's plunge, with the exception of the Malaysian ringgit, which fell 2 percent on news that Moody's Investors Service Inc. had cut its credit rating on two big Malaysian banks. The currency fell to 3.3825 against the U.S. dollar from Thursday's close of 3.3150.

The announcement by Moody's that it had placed Malayan Banking and Public Bank under review for a possible downgrade came a day after the U.S. ratings agency downgraded for the second time this year Thailand's long-term debt rating and lowered its long-term foreign currency deposit rating. But the baht was relatively stable, falling slightly to 35.77 against the dollar from Thursday's close of 35.55.

Months of steady decline in the value of most of Southeast Asia's currencies may have hurt foreign portfolio investors, but analysts said the decline could be a windfall for companies seeking to make long-term investments in region.

"On a historic perspective, they are looking extremely cheap," said Tony Edwards, a broker at Caspian Securities Ltd. in London, referring to the region's currencies. He said Caspian had found that the devalued currencies had provided export-based industries with significant competitive advantages.

Robert Coombe, executive director of Commerce Asset Fund Managers in Kuala Lumpur, said, "If you're a long-term investor here looking at setting up a factory, I don't think you get too hung up on short-term movements in the currencies."

European Hotels, American Style

U.S. Chains Have Forced a Transformation in Continental Market

By John Tagliabue
New York Times Service

NEW YORK — It's not that Sol Melia SA, a Spanish hotel chain, was in financial trouble. It's just that it wasn't sufficiently Americanized.

Founded on the island of Majorca in the 1950s by a young hotel worker named Gabriel Escarrer, Sol Melia had become one of Europe's fastest-growing hotel empires by the early 1990s. But Mr. Escarrer, realizing that the competitive terrain was shifting beneath him, put his son Sebastian in charge.

Sebastian Escarrer, who had held summer jobs as a teenager with Coca-Cola Co. in Atlanta and International Business Machines Corp. in New York and had studied business at the Wharton School in Philadelphia, set out to overhaul the company along American lines.

He tightened management controls, created three brand names instead of one, separated the real estate holdings of the company from its management operations and, last March, went public.

Now the company is negotiating a strategic alliance with an American chain, he said, though he refuses to identify it.

Mr. Escarrer acted so forcefully, he said, because he realized that profitable though Sol Melia was, it would get left in the dust in the 21st century if it did not jump on the bandwagon driven by the American chains.

"Either you go for a niche," he said in a telephone interview, "or, if you want to compete, you need to go global."

In the European hotel industry these days, everybody seems to be going global. With American chains breathing down their necks, most hotel companies figure they do not have much choice. The way to go global, they are discovering, is pretty much to follow the trail blazed by the American giants — with, of course, some graceful Old World twists.

The Continental chains are making the shift at a time of great turmoil in the European hotel industry. Construction is booming, both at the high end and the low end of the market, and a wave of mergers and acquisitions is sweeping Europe as hotel chains search out allies to strengthen their market positions.

Yet, because the European hotel business remains dominated by independents — 75 percent of the trade, compared with just 25 percent in the United States — it remains vulnerable to penetration by American chains such as Marriott International Inc., Sheraton and HFS Inc., which manages Howard Johnson, Days Inn and Ramada hotels. Sheraton is a unit of ITT Corp.

"Europe is a very fragmented market," said Nigel Reed, an analyst with Paribas Capital Markets in London. "Booking systems, reservation systems, yield systems, all are in the Dark Ages."

See HOTELS, Page 15

Seoul Halts Some U.S. Beef Imports

Officials Report Finding E. Coli Bacteria on Meat From IBP

Compiled by Our Staff From Dispatches

SEOUL — South Korea has suspended imports of beef from Nebraska after saying it found E. coli bacteria on meat bought from IBP Inc., but the South Korean Embassy in Washington said Friday it had no information about the report.

"As far as I know, it's not true," Chan Joon Sohn, the embassy's agricultural attaché, said. "I should know about something like this."

South Korean quarantine officials said they detected E. coli bacteria last week on the surface of the imported frozen and sliced beef.

The government immediately ordered a local importer to return or destroy 18 tons of Nebraska beef kept in warehouses and launched expanded tests of all beef imported from that state, according to South Korea's Yonhap News Agency.

Len Condon, vice president for international trade of the American Meat Institute, a Washington-based trade group, said the group had lodged a protest with South Korea.

"The serious part about this is there's no justification, no scientific basis, for saying 'no beef from Nebraska,'" he said.

"Both governments are trying to cooperate to resolve this issue," the South Korean official said.

IBP said it had not been informed of an import suspension by either South Korean or U.S. officials.

"We continue to produce and ship products to Korea," Gary Mickelson, an IBP spokesman, said at the company's Dakota City, Nebraska, headquarters.

U.S. Department of Agriculture officials said the presence of E. coli on the outside of the beef did not violate U.S. regulations because the organism would be killed in cooking.

It would be a violation only if the bacteria were found in ground beef, where the organism might be mixed into the center of the product and possibly escape the high heat required to kill it, they said.

U.S. quarantine experts plan to travel to South Korea on Sunday for inspections, Agriculture Ministry officials said.

South Korea is the fourth-largest market for U.S. beef, with exports valued at $244 million in 1996. *(AP, Bloomberg)*

For the Tormented Economies of East Asia, Some Painful Decisions on Road to Recovery

By David Roche

Economic Scene /Commentary

HONG KONG — The Asian storm rolls on. Currencies get weaker daily. Stock markets languish. Inflation is starting to rise, interest rates are at record highs. And in Thailand, where the mess started, there is little sign that the politicians have got their act together. Although Thailand recently endorsed a new draft constitution that it hopes will end "money and patronage politics," that does not mean that the fat is out of the fire. The real crunch will come when the Thai government tries to implement the International Monetary Fund's stringency measures and has to admit that its promise of painless adjustment is a lie.

The cold facts are that Thailand has an internal and external debt crisis unparalleled among developing countries and that Bangkok lacks the trained bureaucracy or the single-party structure to deal with it. It will take a 20 percent to 25 percent reduction in Thai living standards and two years of shrinking gross domestic product, plus massive wealth destruction, to liquidate the wasted assets and unredeemable liabilities of the Thai economic mess.

Thailand's nightmare is the worst case of a regional crisis. East Asia's crisis is about excessive external deficits and a stock of poorly remunerated assets. If assets were productive and earning enough, foreign-capital inflows would be attracted to cover any current-account deficit. Adequate exports would then be generated, and the stock of domestic debt would be both smaller and more generously covered by corporate profitability. But in most of East Asia, this is not happening.

The governments of countries hit by external crisis — the Philippines and Indonesia — will try to implement a policy mix of bigger fiscal surpluses and higher interest rates to stabilize their currencies and attract new foreign capital. They should also begin to deregulate their economies, making them more export-competitive.

If they do, the shakeout in economic growth, unproductive assets and financial markets will be quite vicious. But normal returns to investors and more sustainable economic growth will be the eventual rewards. In two years, the country's old "economic tiger" status could return.

Countries, such as South Korea and Malaysia, that have a domestic-asset bubble financed predominantly by their own banks will be tempted to act differently. They are likely to pursue low interest-rate policies, to try to keep the economy moving by maintaining a good measure of infrastructure projects, despite high-profile announcements to the contrary. And they may try to keep their burgeoning current-account deficits under control by protectionist measures to limit imports.

The result will be a less competitive domestic and export economy. The cathartic clean-up that their economies need will elude them. Their currencies will stay weak. Their economic downturn will last longer. Return on assets will remain low. Foreign-investor confidence will not return easily. So, expect a permanent downgrading of stock-market valuations.

And then there is a special category of hell for countries that have both an external and a domestic capital crisis. Thailand is the only confirmed case so far — though the wrong policies could ultimately put Indonesia, the Philippines and even Malaysia in there too.

Once in this terminal ward, governments are trapped. On the one hand, they try to stabilize their currencies with high interest rates to attract a lifeline of foreign capital. On the other hand, they want to print money to bail out their domestic financial sector. These are two mutually exclusive objectives that Thai bureaucrats and politicians still have problems deciding between.

Mr. Roche is managing director of Independent Strategy, a global investment research consultancy.

You never know when you're going to be dumped on.

In the morning, the weather forecast calls for windy and cold. And by mid-afternoon, you're caught in a downpour.

Well, if you must get caught, it better be in our improved Lands' End® Squall Jacket.

Because after a dozen years of making the Squall better and better, we've now made it drier, too.

So, we've made our Squall™ Jacket *ten times* more water resistant.

Not just a fair-weather friend.

Its outer shell – a rugged, 3-ply Supplex® nylon – sheds water like never before.

You see, we've had it treated with MPX™ – a microporous coating (meaning, a coating with tiny pores that let body moisture out, but keep rain from getting in).

In an ordinary Supplex jacket without this treatment, you could walk in a steady downpour for maybe 200 yards before the wet started to seep through. In our improved Squall, you can walk a mile.

The outer shell also happens to be 100% windproof. Yet, it's still very breathable – very *comfortable* – no matter what outdoorsy thing you're up to.

If at first we succeed, we try again.

Of course, this new improvement follows on the heels of lots of old improvements.

One year (1987, it was) we began to make the inner lining of Polartec™ 300 fleece – a man-made fleece twice as warm as natural fibers.

And 1994 was a very good year, too. We put 100-gram Thinsulate™ insulation in the sleeves. It keeps you warm – but because it's so thin, there's less bulk to get in your way.

And way back in '84, we added a storm flap behind the zipper – our first line of defense against the wind.

Seems that's our way at Lands' End: we just can't leave well enough alone.

Will it be crummy again tomorrow?

Into each life, not only rain but snow and sleet and much else must fall.

So, in our Lands' End catalog, we feature page after page of other outerwear. And every stitch is as well made, and thoughtfully designed, as our Squall.

If you'd like to see a copy of our catalog, just say the word.

"Squall," for example.

LANDS' END Direct Merchants

Guaranteed. Period.

© 1997 Lands' End, Inc.

To receive your FREE Lands' End catalog:
- fax this coupon to 1-608-935-4000
- call us: 1-608-935-6170. Please mention ad #XV
- mail this coupon to: 1 Lands' End Lane, Dodgeville WI 53595 USA
- visit us at: www.landsend.com/intl-xv

Name_____
Address_____
Post Code_____ Country_____
Phone/Fax ( ) _____

CURRENCY & INTEREST RATES

Cross Rates

Oct. 3

	$	£	DM	FF	Lira	DFl	BF	SF	Yen	C$	Peseta
Amsterdam	1.8095	2.199	1.2204	0.2368	0.115*	—	3.4575*	1.3603	1.4342*	1.351	1.3335*
Brussels	34.475	41.925	23.255	4.7425	2.1905*	18.325	—	25.71	0.28	26.45	26.45*
Frankfurt	Closed*										
London (s)	1.617	—	2.0811	0.5476	2.7334	1.2003	58.6439	2.3395	197.02	2.2317	232.928
Madrid	139.301	169.397	96.438	19.125	9.436*	10.344	4.8914	192.733	122.847*	109.201	—
Milan	1,729.56	2,103.17	1,197.12	237.33	—	108.24	49.44	1,199.23	14.245	1,244.24	11.595
New York (h)	—	1.6496	1.736	0.3443	1.72100	1.0781	34.31	1.4475	122.695	1.3723	128.14
Paris	4.691	5.7145	3.2557	—	0.5703*	2.9237	0.1428	4.0609	4.0095*	4.3484	3.98*
Tokyo	131.86	160.19	91.24	18.16	8.0144	83.77	3.3311	113.77	—	88.19	0.8144
Toronto	1.5713	2.3944	1.3796	0.272	0.1396*	0.8652	0.3377*	0.9444	1.1234*	—	0.923*
Zurich	1.4513	2.2375	1.2875	0.2499	0.1304*	0.7243	0.3099*	—	1.1303*	1.163	0.9167*
1 ECU	1.1125	1.6369	1.1951	0.4868	1.5934	1.2144	2.2744	1.6144	134.575	1.5285	165.984
1 SDR	1.3082	1.9402	1.12	0.1218	2.3367	1.2329	49.8755	1.1981	146.87	1.8765	204.072

Changes in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York Rates at 3 P.M. and Toronto rates at 3 P.M.

s: To buy one pound. h: To buy one dollar. *Units of 100. N.Q.: not quoted. N.A.: not available

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9998	Greek drac.	280.74	Mex. peso	7.745	S. Afr. rand	4.6785
Australia $	1.3741	Hong Kong $	7.7264	N. Zealand $	1.5652	S. Kor. won	913.60
Austrian sch.	12.107	Hung. forint	196.0	Norw. krone	7.0905	Swed. krona	7.5894
Brazil real	1.0064	Indian rupee	36.17	Pak. rupee	34.50	Taiwan $	28.60
Chinese yuan	8.3149	Indo. rupiah	3410.0	Peso zloty	3.42	Thai baht	35.60
Czech koruna	32.61	Irish £	0.6947	Port. escudo	180.96	Turkish lira	174310.
Danish krone	6.7634	Israeli shek.	3.594	Russ. ruble	5862.5	UAE dirham	3.673
Egypt. pound	3.389	Kuw. dinar	0.3014	Saudi riyal	3.75	Venez. bolív.	456.75
Fin. markka	5.2883	Malay. ringg.	3.372	Sing. $	1.5422		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6017	1.5995	1.5956	Japanese yen	121.30	120.96	120.42
Canadian dollar	1.3711	1.3687	1.3643	Swiss franc	1.4530	1.4534	1.4515

Source: ING Bank (Amsterdam), Crédit Industriel Banque (Brussels), Banca Commerciale Italiana (Milan), Banque de France (Paris), Bank of Tokyo-Mitsubishi (Tokyo).

Libid-Libor Rates

Oct. 3

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5⅞ - 5⅝	3⅞ - 3½	1⅛ - 1⅛	7⅞ - 7⅝	3⅞ - 3½	⅝ - ½	4⅞ - 4½
3-month	5⅞ - 5⅝	3¾ - 3½	1⅞ - 1¾	7⅞ - 7⅝	3⅞ - 3⅞	⅝ - ½	4⅞ - 4⅝
6-month	5⅞ - 5¾	3⅞ - 3⅝	1⅞ - 1⅝	7⅞ - 7⅞	3⅞ - 3½	⅝ - ½	4⅞ - 4⅝
1-year	5¾ - 5½	3¾ - 3⅝	1⅞ - 1¾	7⅞ - 7½	3⅞ - 3⅝	½ - ⅜	4⅞ - 4½

Source: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Close	Prev
Discount rate	5.00	5.00
Prime rate	8½	8½
Federal funds	5⅝	5½
90-day CDs dealers	5.63	5.65
180-day CP dealers	5.50	5.49
3-month Treasury bill	4.96	4.93
1-year Treasury bill	5.12	5.14
2-year Treasury bill	5.69	5.72
5-year Treasury note	5.89	5.89
7-year Treasury note	5.94	5.94
10-year Treasury note	6.00	6.00
30-year Treasury bond	6.30	6.30
Merrill Lynch 30-day RA	5.08	5.08
Japan		
Discount rate	0.50	0.50
Call money	0.38	0.44
1-month interbank	0.47	0.48
3-month interbank	0.48	0.49
6-month interbank	0.51	0.52
10-year Govt bond	2.83	2.81
Germany		
Lombard rate	4.50	4.50
Call money	Close	3.10
1-month interbank	–	3.29
3-month interbank	–	3.42
6-month interbank	–	3.48
10-year Bund	–	5.65

Britain		
Base rate	7.00	7.00
Call money	7¼	7¼
1-month interbank	7⅜	7⅜
3-month interbank	7¼	7¼
6-month interbank	7⅛	7⅛
10-year Gilt	6.19	6.25
France		
Intervention rate	3.10	3.10
Call money	3⅞	3⅞
1-month interbank	3¼	3¼
3-month interbank	3⅛	3⅛
6-month interbank	3⅛	3⅛
10-year OAT	5.38	5.44

Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	331.25	332.00	–1.60
London	331.10	331.70	–1.65
New York	333.50	336.90	–3.40

U.S. dollars per ounce. London official fixings: Zurich and New York opening and closing prices: New York Comex (Dec.)

Source: Reuters.

THE AMERICAS

Source: Bloomberg, Reuters — International Herald Tribune

Boeing Shares Drop on Production Crunch

Bloomberg News

SEATTLE — Boeing Co. said Friday it was freezing production of its 747 and 737 jetliners for about three weeks to catch up with crippling labor and parts shortages.

The moves indicate how badly the company was caught off guard by the global boom in aircraft orders. The world's largest airplane maker will deliver about 335 jets this year, down from the 350 estimated earlier, and its fourth-quarter earnings will be lower than expected.

Analysts said Boeing's announcement showed that its production problems were far more severe than executives had let on. It may take Boeing much longer than expected to get costs under control as it pushes production to record levels to fill the hundreds of orders it has received from the world's airlines.

"They have been soft-pedaling what their problems are, and they are more severe than we anticipated," said Paul Nisbet, an analyst at JSA Research in Newport, Rhode Island.

Boeing shares fell 50 cents to close Friday at $52.

The company's biggest problems have been in making its jumbo jetliner, the 747. That production line, in Everett, Washington, has been behind schedule for much of this year, forcing Boeing to take workers from other lines to try to catch up.

The 747 line will be halted, giving workers an opportunity to complete work on airplanes already in production, but preventing the company from starting construction of new planes, Boeing said.

Boeing will take similar steps in Renton, Washington, where it builds the smaller 737 jetliner. Work on 737s already in production will be completed as parts become available. No new 737s will start down the line for 25 days. Boeing had orders for more than 800 737s on its books as of the end of August.

Parts shortages are the biggest problem in Renton, while labor shortages are the problem in Everett, Boeing has said.

Boeing suffered another setback in Renton when it discovered in flight tests that its new 737-700 needed modifications to the tail section that will delay its certification by regulators.

Boeing shares have languished this year as the cost of hiring thousands of workers cut into earnings. Analysts had been expecting Boeing to get production up and costs down, thereby improving profits, by early next year. Now, the benefits of booming sales may not come until early 1999, analysts said.

Boeing has hired about 15,000 employees this year, after adding 21,000 last year. It picked up 64,000 workers when it bought McDonnell Douglas Corp. last summer and is trying to use some of them to solve its problems.

WorldCom Could Shed MCI Service

By Mike Mills
Washington Post Service

MCI Communications Corp. could jettison its approximately 20 million residential long-distance customers and focus solely on more profitable business customers if a proposed $30 billion buyout of MCI goes through, according to a top official of the company that would make the purchase.

John Sidgmore, vice chairman of WorldCom Inc., said the residential customers probably would be transferred to other long-distance companies, potentially including the regional Bell companies.

Under this scenario, calls would still be carried by WorldCom and MCI wires. But the job of setting rates, providing operators and billing the customers would belong to the other companies. The customer would never hear the MCI name or deal with the company.

WorldCom would "sell" MCI customers to other long-distance companies, which would pay for rights to serve established accounts.

[WorldCom issued a statement Friday saying it would keep all of MCI's customers after their transaction was completed, Bloomberg News reported.

["WorldCom will not abandon MCI's residential long-distance customers," the company said.]

Earlier, Mr. Sidgmore said that initially WorldCom would "market to consumers just like MCI does."

"On the other hand," he added, "our strategy is not in the consumer business. It's very difficult for us to find a way to make economic sense out of the advertising budgets, the customer-service budgets, et cetera, required to be in the consumer business. We might be willing to let somebody else do the retail marketing of that consumer business."

On Wednesday, WorldCom made an unsolicited offer for MCI, throwing into turmoil a year-old plan by British Telecommunications PLC to buy the Washington-based long-distance giant. WorldCom is offering roughly $9 billion more than BT's last offer.

MCI officials, who met Thursday to plan a reaction to WorldCom's offer, declined to comment on Mr. Sidgmore's remarks.

MCI's stock closed at $36.1875, up 43.75 cents, while WorldCom's shares rose 6.25 cents to end at $37.9375.

Oil Prices Cut a Rally, but Stocks Post Gains

Compiled by Our Staff From Dispatches

NEW YORK — Stock prices held on to slight gains Friday after giving up an early rally as rising oil prices fanned concern that inflation may not remain dormant for long.

Rising tensions in the Middle East sent the price of oil to more than $23 a barrel, its highest in almost eight months. Higher energy prices increase the cost of goods and services, which spurs inflation and sends interest rates higher.

"The potential inflation that might result from higher energy costs is catching the attention of investors," said James Margard, chief equity officer at Ranier Investment Management, which oversees $4.6 billion of assets.

The Dow Jones industrial average, down as much as 71 points at one time, closed Friday at 8,038.58, up 11.05. Earlier in the day, a rally sent the 30-stock average up more than 100 points, to as high as 8,143.44.

The jump in oil prices overshadowed an unexpectedly weak September jobs report, which investors interpreted to mean that growth was not about to speed up inflation.

The yield on the benchmark 30-year Treasury bond rose as high as 6.35 percent after falling to a 19-month low of 6.19 percent on the jobs report. It was at 6.30 percent in late trading. Falling yields benefit stocks by making it less expensive for companies to borrow money.

The Standard & Poor's 500 Index rose 4.58 to close at 965.04 after touching an intraday record of 975.47. The Nasdaq composite index finished at 1,715.85, up 13.44, after rising to an intraday record of 1,725.85.

"We saw a little too much enthusiasm about the economic news early in the day," said Paul Hennessey, head trader at Boston Partners Asset Management, which oversees $12.5 billion in assets. "Stocks moved back in lockstep with bonds."

Crude-oil futures prices climbed $1.28 to $23.05 a barrel after the U.S. government sent the aircraft carrier Nimitz to the Gulf. The move was aimed at bolstering security for the no-flight zone in southern Iraq in response to recent raids on Iraq by Iranian jets.

"Every time you get some saber-rattling," you see a decline in optimism, said Steve Vielhaber, who oversees about $35 billion in fixed-income securities for Bank of America in Los Angles. Rising prices of gold and other commodities also hurt bonds, traders said.

When bonds started to fall, traders and investors also took the opportunity to lock in recent gains, especially with the U.S. economy remaining strong.

"I'd be a better seller than buyer" at the lower yields reached Friday, said John Burgess, who helps oversee $70 billion in assets at Bankers Trust Global Investment Management. "Despite the softer-than-expected number today, the economy's not rolling over."

Adding to the markets' uneasiness, General Motors and Ford reported higher vehicle sales in September — another hint of inflationary pressures in the economy. Chrysler said Wednesday its third-quarter sales were off 14 percent. Shares of Chrysler were higher late Friday, while GM and Ford shares were lower.

Bank issues were higher after the jobless report, with J.P. Morgan, Citicorp, BankAmerica, First Union and Bank of New York leading the advance.

Among active issues, Cablevision Systems and At Home rose as investors bet that Cablevision's purchase of a 9 percent stake in the Internet-access provider was another big step in the growing convergence between the two industries. The companies said late Thursday that Cablevision, America's sixth-largest cable provider, would spend $5.5 million for the stake in At Home.

Advanta shares surged as investors speculated that the troubled credit-card company would be sold, traders said. Advanta, the ninth-largest U.S. credit-card issuer, has been a takeover target since March. *(Bloomberg, AP)*

U.S. STOCKS

Weak Economy Hits Yen

Agence France-Presse

NEW YORK — The dollar fell against the Deutsche mark Friday as the U.S. unemployment rate remained steady, but it rose against the yen amid a poor outlook for the Japanese economy.

The dollar was at 1.7560 DM in 4 P.M. trading, down from 1.7730 DM on Thursday. It was also at 122.095 yen, up from 121.605 yen.

Against other major currencies, the dollar was at 5.9030 French francs, down from 5.9580 francs, and at 1.4475 Swiss francs, down from 1.4545 francs. The pound rose to $1.6160 from $1.6159.

Many economists had expected the unemployment rate to drop, which might have raised fears of inflation and triggered speculation that U.S. interest rates would rise. Increased rates make securities and deposits denominated in a currency relatively attractive.

"The Japanese economy is very weak, and investors are unlikely to sell the currency of one of the big industrialized countries to buy yen," said Eric Fishwick, an analyst at Nikko Securities.

The pound fell against the mark amid signs that Britain was keeping the door open to participation in the European single currency.

"Dealers are saying that in that case, British interest rates will not be increased, because membership implies that rates must converge," Mr. Fishwick said.

Rates in France and Germany are far lower than in Britain, where the economy has experienced several years of strong growth. The pound fell to 2.8411 DM from 2.8558 DM in London.

FOREIGN EXCHANGE

Very briefly:

U.S. Jobless Rate Remains Steady

WASHINGTON (AP) — The U.S. economy created jobs at a modest pace in September, keeping the unemployment rate unchanged at 4.9 percent, according to government figures released Friday.

Though growing with less momentum than earlier this year, the labor market still favors job-seekers, economists say.

"The labor market is strong but not as strong as it has been, which suggests the blistering pace of U.S. economic growth may be slowing down," said Allen Sinai of Primark Decision Economics. He added that there was "no reason" for the Federal Reserve to raise interest rates to ward off inflation.

Microsoft: Gaining on Netscape?

REDMOND, Washington, (Bloomberg) — Microsoft Corp. said Friday that more than 1 million people had downloaded its Internet Explorer 4.0 program in the first 48 hours it was available.

Forrester Research Inc. said it expected Microsoft's Internet browser to capture more than 50 percent of the market by the middle of next year, up from 25 percent to 30 percent now. That would eat into Netscape Communications Corp.'s share of 65 percent to 70 percent.

- **Kinetic Concepts Inc.**, which makes special beds for people with serious health problems, agreed to be acquired by **Fremont Partners LP** and **Richard C. Blum & Associates LP** for $850 million to $875 million.
- **Anheuser-Busch Cos.** confirmed that the Justice Department was looking into its distribution practices amid allegations that the brewer was trying to squeeze smaller rivals off the market.
- **The New York Times Co.** is selling six tennis, sailing and ski magazines to **Miller Publishing Group LLC** of Los Angeles. Terms were not disclosed. *Bloomberg, AP*

AMEX

Friday's 4 P.M. Close

The top 300 most active shares, up to the closing on Wall Street.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
AMC	384	28⅝	28¼	28⅝	+⅛
ARX	465	7	7	7	-⅛
AR Fin n	254	22⅞	22⅝	22⅞	+⅛
AcktGrp s	157	18½	18	18	+⅛
AlrNet	373	1⅝	1½	1½	-⅛
Alliance	457	16⅝	16⅝	16⅝	+⅛
Allm	122	⅞	¾	¾	-⅛
Alpharin	1468	19½	18⅝	19	+⅛
AlphaInd	363	26½	24⅞	26⅝	+1⅝
AlsiEnl	143	19⅝	19⅝	19⅝	+⅛
AlliBi	149	11⅛	11⅛	11⅛	
AmerPob	249	2½	2	2½	+⅝
ATechC	229	26⅝	19⅞	20⅝	+⅝
Amtran	1297	4⅝	4⅞	4⅝	+⅛
Asylec n	785	3⅝	2	2⅝	+⅛
AsdevEs s	2835	27½	25⅝	25⅝	-⅛
AvgWtg	159	17⅝	17⅝	17⅝	
Apogee	267	3	2⅞	3⅛	-⅛
ArmorH	274	12⅝	12⅝	12⅝	+⅛
Artsyb	237	2⅝	2½	2⅝	+⅛
AstLong s	514	17⅝	17	17	-⅛
Astronic	149	12⅝	12⅝	12⅝	+⅛
AtlTele	131	17⅝	12⅝	12⅝	-⅛
Autocue	1386	18⅝	9⅝	9⅝	-⅛
AutoSolv	132	2½	2⅜	2⅜	+⅛
Autotote	334	2⅝	2⅝	2⅝	+⅛
AvenEnt n	195	7	7½	7½	+⅛
Azco	488	1⅝	1⅝	1⅝	+⅛
BAT Ind	874	18⅝	18⅝	18⅝	-⅛
Baker	382	11⅝	11	11⅝	+⅛
Batchen	132	17⅝	16⅝	17⅝	+1
Battery s	196	19⅝	19	19	-½
BayCanPh	202	7½	7⅝	7⅝	-⅛
Bayou	204	4⅝	4⅝	4⅝	-⅛
BeaconFd	2964	5	4⅝	4⅝	+⅛
BestPh	481	3⅝	3⅝	3⅝	
BestPh wt	148	1⅝	1⅝	1⅝	-⅛
Bibb n	482	8½	7½	7⅝	
BioFt A	173	28⅝	26⅝	26⅝	-⅛
BiopMC	1132	5⅝	5⅝	5⅝	+⅛
BioTech	128	6½	6⅝	6⅝	
Biowhr	316	27⅝	27⅝	27⅝	
BioWtr	414	22⅝	20⅝	20⅝	-⅛
BlackBox	152	31⅝	31	31⅝	+⅛
BlueRiv	67	24⅝	23⅝	24⅝	
Boatmn	416	27⅝	27⅝	27⅝	
BoisCas s	462	24⅝	23⅝	24⅝	-⅛
BoolCo	172	1⅝	1⅝	1⅝	
BrdTech	128	6½	6⅝	6⅝	
Bowtw	316	27⅝	27⅝	27⅝	
Brazil	414	22⅝	20⅝	20⅝	-⅛
Brewpubs s	467	24⅝	23⅝	24⅝	
BAB US	164	17⅝	17⅝	17⅝	
CE Frnt g	2948	11⅝	10⅝	11⅝	+1⅛
CFX Cp	481	22⅝	22⅝	22⅝	+⅛
CMI	246	8⅝	8⅝	8⅝	+⅛
Cadmus	2037	6⅝	6	6⅝	+⅝
Calclva pf	2292	31	30⅝	30⅝	+1⅛
Calclva	152	11⅝	11⅝	11⅝	-⅛
Comfort	138	4⅝	4⅝	4⅝	-⅛
CdnOil g	4116	27⅝	26⅝	27⅝	+1
CanonRs	1761	2⅝	2⅝	2⅝	
CelSc wt	545	⅝	½	½	
CelSci	2199	8⅝	7⅝	8⅝	+⅛
CFCdn g	1965	41⅝	41⅝	41⅝	
ChadTbr	230	11⅝	10⅝	11⅝	+1⅛
ChemFd s s	3195	12⅝	11⅝	12⅝	+⅛
ChstnSt wt	728	11⅝	11⅝	11⅝	+⅛
ChbFnl s	798	27⅝	24⅝	27⅝	+⅛
Chief	199	13⅝	13⅝	13⅝	-⅛
ChrwCn	321	18	18⅝	18⅝	-⅛
Cognitm	1021	9	8⅝	8⅝	-⅛
CoLD	1125	8⅝	8⅝	8⅝	-⅛
CmSecur	215	7⅝	7⅝	7⅝	+⅛
CmcBay	913	3⅝	3⅝	3	+⅛
CmtcAl wt	130	1⅝	1⅝	1⅝	-⅛
CmpTch	128	9⅝	9⅝	9⅝	
CmpInc	275	1⅝	1	1	-⅛
CmpMicr	214	7⅝	6⅝	7⅝	+⅛
ComCor	238	18	17⅝	17⅝	-⅛
ComInd	458	5⅝	5⅝	5⅝	+⅛
Conax	145	6⅝	6⅝	6⅝	+⅛
ConCP n	461	19⅝	18⅝	18⅝	-⅛
ConEnvl	154	9⅝	9	9	-⅛
ConAstn	271	8⅝	8⅝	8⅝	-⅛
Cyrdlis gn	1223	5⅝	4⅝	5	+⅛
Cytoxen	141	11⅝	11	11⅝	-⅛
Cytoxen	266	2⅝	2⅝	2⅝	
Dataskin	24238	⅝	½	½	
DataTec	278	9⅝	8⅝	8⅝	-⅛
Datawtch	317	1⅝	1⅝	1⅝	
Dayton Mn	269	3⅝	3⅝	3⅝	
DeckMar	165	3⅝	3⅝	3⅝	-⅛
DenimE	497	4⅝	4⅝	4⅝	-⅛
DigCT	751	⅝	½	½	-⅛
DigPwr n	238	9⅝	9⅝	9⅝	
DcEITS Inf	1452	13	12⅝	12⅝	-⅛
DrCpBs n	236	10⅝	10	10⅝	-⅛
DigPwr n	238	9⅝	9⅝	9⅝	
Disam	1452	13	12⅝	12⅝	-⅛
DrCpBs n	236	10⅝	10	10⅝	-⅛
DiscTic	342	14⅝	13⅝	14⅝	+1⅛
Dreyfus s	113	13⅝	13⅝	13⅝	-⅛
DryCol	249	10⅝	10⅝	10⅝	-⅛
DynMat	507	10⅝	10⅝	10⅝	-⅛
eCETS Inf	139	⅝	½	½	-⅛
EZ Serv	222	⅛	⅛	⅛	
Echelon	469	5⅝	5	5⅝	-⅛
Edisto	125	10⅝	10⅝	10⅝	
EdmnGm gn	132	18⅝	18⅝	18⅝	-⅛
EnPower	479	6⅝	6⅝	6⅝	-⅛
EnviTr	430	11⅝	11⅝	11⅝	-⅛
EnviRt	175	⅝	½	½	
EnviRt	311	18⅝	17⅝	17⅝	-⅛
EnvSc	146	4⅝	4⅝	4⅝	-⅛
FAIntl	384	8⅝	8⅝	8⅝	-⅛
FMxPr	8348	8⅝	8⅝	8⅝	-⅛
FtCmH	125	⅝	½	½	
FtPcCs	338	59⅝	58⅝	58⅝	-⅛
FstFLb	1034	42⅝	42⅝	42⅝	+1⅛
FortNtE	414	2⅝	2⅝	2⅝	
Fotoin	145	9⅝	9⅝	9⅝	-⅛
GA Pacl	174	19⅝	18⅝	18⅝	-⅛
GST Tele	8143	15⅝	14⅝	15⅝	+⅛
Genesis	532	4⅝	4	4	
GeoCo	834	8⅝	7⅝	8⅝	+⅛
GeoLabs	254	3	1⅝	1⅝	-⅛
GerVar	133	18⅝	18⅝	18⅝	-⅛
GrtChGM	223	48⅝	39⅝	48⅝	+9⅝
GlobFd	468	23	22	23⅝	+⅝
GlobTel	412	29	28⅝	29	+1⅛
Globix	326	22⅝	21⅝	21⅝	-⅛
GloSeal	123	14⅝	14⅝	14⅝	-⅛
Gluck	1086	2	1⅝	1⅝	-⅛
GoVideo	639	2⅝	2⅝	2⅝	
GlxStarR	1149	6⅝	5⅝	6⅝	+⅝
GlbFig	450	⅞	½	½	-
GeoWtat	12288	9⅝	8⅝	8⅝	
GeyHolt	18605	4⅝	4	4⅝	+⅛
GrLeisc	363	6⅝	6⅝	6⅝	
gcHaWnF	238	⅛	⅛	⅛	-⅛
Harbor	287	4⅝	4	4	-⅛
Hasbro s	1447	31⅝	29⅝	31⅝	+2⅝
HawAir	435	14⅝	14⅝	14⅝	-⅛
HlthPro	1646	18⅝	17⅝	17⅝	-⅛
Hexcn	1807	1⅝	1½	1½	-⅛
HeloWr	2193	6⅝	6⅝	6⅝	
HomeVR	5895	28⅝	27⅝	28⅝	-⅛
Homlo	184	4⅝	4⅝	4⅝	-⅛
HoopenN	27	⅞	⅞	⅞	
HrtPaw	2051	2	1⅝	1⅝	
Hoptw	176	34⅝	34	34⅝	+⅞
HomeVtl s	378	17⅝	17⅝	17⅝	-⅛
HomVf wt	572	7⅝	7⅝	7⅝	-⅛
IGI	424	8⅝	8⅝	8⅝	-⅛
IAH Cnv					
Idenix					

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	8128.21	8144.42	7954.07	8038.58	+11.05
Trans	3247.43	3259.53	3193.01	3208.30	-19.48
Util	246.74	246.70	241.22	242.81	-0.93
Comp	2599.52	2606.04	2549.60	2589.67	-4.45

Standard & Poors

	Previous High	Previous Low	Previous Close	Today 4 P.M.
Industrials	1122.83	1114.44	1122.83	1125.54
Transp.	693.85	685.04	692.93	689.15
Utilities	208.95	206.27	208.94	207.64
Finance	113.84	112.57	113.58	115.31
SP 500	960.46	952.94	960.46	965.03
SP 100	925.30	918.81	925.29	928.18

NYSE

	High	Low	Last	Chg.
Composite	510.31	501.42	505.69	+2.36
Industrials	639.99	628.17	633.67	+1.33
Transp.	470.12	461.16	463.30	-1.90
Utility	308.69	302.94	304.37	+0.42
Finance	486.26	474.85	484.04	+7.19

Nasdaq

	High	Low	Last	Chg.
Composite	1725.85	1706.23	1715.85	+13.45
Industrials	1397.38	1383.92	1391.55	+7.32
Banks	1926.70	1909.34	1920.42	+2.63
Insurance	2648.33	2621.57	2633.12	+12.79
Finance	2301.53	2284.31	2292.32	+13.95
Transp.	1143.49	1138.39	1134.04	+3.14

AMEX

	High	Low	Last	Chg.
	711.23	704.96	710.01	+5.85

Dow Jones Bond

	Previous Close	Today Close
20 Bonds	104.34	104.47
10 Utilities	102.19	102.23
10 Industrials	106.49	106.71

Trading Activity

NYSE

	Close	Prev.
Advanced	1837	1455
Declined	1099	1192
Unchanged	488	363
Total issues	3424	3011
New Highs	631	346
New Lows	4	10

AMEX

	Close	Prev.
Advanced	348	322
Declined	251	292
Unchanged	159	137
Total issues	758	724
New Highs	93	43
New Lows	1	4

Most Actives

NYSE

	Vol.	High	Low	Last	Chg.
Boeing s	165165	52⅝	50⅝	51⅝	-⅝
HostMar	80604	22⅝	22⅝	22⅝	+⅝
Compaq s	68081	77⅝	75	75⅝	-⅛
AT&T	59481	44⅝	43⅝	43⅝	-⅝
MCImT	54021	34⅝	33⅝	33⅝	+⅛
GenElec s	50898	70⅝	68⅝	69	-⅛
AMD	49949	31⅝	28⅝	29⅝	+1⅝
PhilMor s	45320	96⅝	95⅝	96⅝	+1⅝
TelBrasil	44297	143⅝	137½	140⅝	+2½
Travlers s	43657	72⅝	71⅝	71⅝	+1⅝
SthnUn	42643	46⅝	39⅝	39⅝	+1½
IBM s	40489	107⅝	101⅝	104⅝	-⅛
CocaCl	40169	63⅝	61⅝	62⅝	-⅛
WCMgtt s	37705	37⅝	36⅝	37⅝	+⅝
DelPont s	37499	62⅝	59⅝	60⅝	-1⅝

Nasdaq

	Vol.	High	Low	Last	Chg.
WorldCm	290118	39⅝	37⅝	38	+⅛
MCI	161413	37⅝	36⅝	36⅝	-⅛
Cisco	123428	78⅝	77	78⅝	+2⅝
Intel s	122271	94⅝	92⅝	93⅝	-⅛
SyQuTc	78284	37⅝	34	37½	+⅝
StarMic s	73023	47⅝	45⅝	46⅝	+⅛
Microsft s	71747	124⅝	122⅝	124⅝	+1⅝
Sprint	70767	52⅝	51⅝	52⅝	+⅝
FlekNet	61942	26	20⅝	22⅝	+6½
Ascend	54198	33⅝	32⅝	32⅝	-⅛
Oracle s	51699	37⅝	35⅝	36⅝	+⅝
DellCpt s	50994	102⅝	98⅝	99⅝	
AptdMat	46857	99⅝	97⅝	98	+1⅝
TeleComA	44031	22	21⅝	21⅝	+⅛
Tellabs s	41640	57⅝	54⅝	54⅝	-⅝

AMEX

	Vol.	High	Low	Last	Chg.
SPDR	64121	97⅝	95⅝	96⅝	+⅝
DeltaMA	24230	⅝	½	½	
TWA	17948	8⅝	8⅛	8⅛	-⅛
GreyWolf	12388	5⅝	5⅝	5⅝	
Greyhnd	10405	4⅝	4	4⅛	+⅝
KenSpe	9271	23⅝	22⅝	23⅝	+1⅝
Fluor n	8568	51⅝	51	51⅝	-⅛
Pioneer	8408	1⅝	1⅛	1⅛	+⅛
ITS Corp	8296	⅝	½	½	-⅛
VisCh	8348	31⅝	31⅝	31⅝	+½

Market Sales

	Today	Prev.
	4:00	close.
NYSE	610.82	565.34
Amex	22.36	21.33
Nasdaq	703.73	704.98

In millions.

Dividends

Company	Per Amt	Rec	Pay
IRREGULAR			
Sanyo Elec ADR	b .104	10-7	
STOCK SPLIT			
Fst Alliance Cp 3 for 2 split.			
REGULAR			
Amer Water Wrks	Q .19	10-24	11-17
Fst Utd Cp MD.	Q .14	10-20	11-1
Freeprt McM Cop	Q .225	10-15	11-1
Genesis Energy	Q .50	10-31	11-14
Great AtlnPac	Q .10	10-16	11-3
Hyperion 1997 Trm	M .0333	10-20	10-30
Kaufman & Broad	Q .075	11-12	11-26
Morgan Stan Dean	Q .14	10-14	10-31
Noland Co	Q .08	10-14	10-24
Putnam Am Govnco	M .044	10-10	10-20
Putnam CA In	M .0775	10-20	11-3
Putnam Cnv Op	M .155	10-20	11-3
Putnam Dlr Income	M .056	10-20	11-3
Putnam Divrsfd In	M .071	10-10	10-20
Putnam Fedl Inco	M .053	10-10	10-20
Putnam Hi YldAd	M .062	10-15	10-27
Putnam Hi Inc	M .071	10-20	11-3
Putnm HiYld Muni	M .0575	10-20	11-3
Putnm HiYld	M .06	10-15	10-27
Putnm HiYld Tr A	M .108	10-15	10-27
Putnm Inco Fd A	M .037	10-15	10-27
Putnm InternGvt	M .05	10-20	11-3
Putnm US Gvtin	M .069	10-10	10-20
Robbins & Myers	Q .05	10-17	10-31
Trust Co NJ.	Q .11	11-7	12-1
Upper Penin Ener	Q .32	10-13	11-1
Wayne Svgs Ln	Q .155	10-9	10-24

a-annually b-approximate amount per share/ADR g-payable in Canadian funds m-monthly q-quarterly s-semi-annual

Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.
a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99. cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. j - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y - ex-dividend and sales in full. yld - yield. z - sales in full.

FOR INVESTMENT INFORMATION
Read THE MONEY REPORT every Saturday in the IHT.

INTERNATIONAL FUTURES

Oct. 3, 1997

Grains

CORN (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Dec 97	266	256½	264¼	+7½	201,745
Mar 98	275	265¾	273½	+7¾	65,578
May 98	279½	270½	279	+7¾	17,157
Jul 98	282½	274	282½	+8	29,070
Sep 98	276	269½	275½	+5¾	2,156
Dec 98	275¾	267¾	274¾	+5¾	18,199
Jul 99	284	280	284	+2	134

Est. sales N.A. Thurs sales 39,462
Thurs open int 334,183, off 157

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Latest	Chge	Opint
Oct 97	207.00	205.40	207.70	+1.80	13,344
Dec 97	205.00	199.30	202.70	+2.90	46,246
Jan 98	202.80	197.00	201.80	+4.70	14,931
Mar 98	200.20	194.50	198.80	+4.30	14,366
May 98	199.30	193.50	198.30	+4.90	15,564
Jul 98	201.50	195.00	200.50	+5.50	7,849

Est. sales N.A. Thurs sales 17,236
Thurs open int 115,158, off 579

SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb

	High	Low	Latest	Chge	Opint
Oct 97	23.94	23.49	23.85	+0.30	2,597
Dec 97	24.30	23.82	24.13	+0.28	55,431
Jan 98	24.47	24.00	24.33	+0.25	16,974
Mar 98	24.60	24.18	24.49	+0.23	9,916
May 98	24.67	24.29	24.58	+0.21	7,209
Jul 98	24.73	24.38	24.64	+0.16	6,348

Est. sales N.A. Thurs sales 12,869
Thurs open int 99,843, off 490

SOYBEANS (CBOT) 5,000 bu minimum-

A Pragmatic French Oilman

Total Official's Deal With Iran Tests Reach of U.S. Law

By Youssef M. Ibrahim
New York Times Service

PARIS — One of the warmest memories of Thierry Desmarest, chairman of the French oil company Total SA, came when, fresh out of France's finest schools, he was on his own managing a mine in New Caledonia.

"I was 18,000 kilometers away from my immediate superior with no faxes and telephone connections — it was fantastic!" he said.

Last Sunday he realized how far he had come when he went to Tehran and signed a $2 billion agreement to develop one of Iran's largest natural gas fields. The deal brought a firestorm of criticism from the United States, which says Iran supports terrorism, but drew praise from the French government.

Since then the faxes, phones and telegrams have poured in, many of them, the company says, with support from around the world, including some from American oil executives. Few adopted the official U.S. view that the deal violates an American anti-terrorism law and could subject Total to economic sanctions.

"To say the incremental share of our project in a country already producing 3.6 million barrels of oil a day will help finance terrorism while the country already possesses huge revenues from its hydrocarbon exports is absurd," Mr. Desmarest said in his offices atop a 30-story tower on the outskirts of Paris.

A courteous 51-year-old who seldom displays emotion, Mr. Desmarest seemed unable to suppress a smile as he said, "It was, I believe, Mrs. Albright who said politics, after all, is part principles and part pragmatism."

This was a sarcastic reference to an earlier statement by Secretary of State Madeleine Albright explaining why Washington does not place sanctions on China but has no qualms advocating them for Burma, when both countries are accused of violating human rights.

Ever since the agreement was signed to develop the South Pars natural gas field with Gazprom of Russia and Petronas of Malaysia, Mr. Desmarest has been caught in a fight between two traditional allies.

For its part, the European Union has threatened a trade war if the United States acts on what much of the world regards as imposing American law on sovereign nations.

"We will respect all legislation applied by the United Nations, France or international law," he said. "But we are under no obligation to apply an American law produced by a domestic lobby for narrow interests."

His remarks reflect a common view among international oil executives. Faced with a looming shortage of oil, major producers are scouring the globe for production possibilities and chafe at restrictions imposed by the United States.

Executives from major American oil companies argue that sanctions rarely force governments to change their policies, and that Americans are shut out of projects in some of the most promising areas as rivals like Total sew up lucrative deals.

"We cannot isolate ourselves from half of the world's oil and gas reserves and believe that it does not have a negative impact on the United States," said Archie Dunham, president and chief executive of Conoco.

In March, the Clinton administration barred Conoco Inc., a unit of Du Pont Co., from proceeding with an initial contract with Iran that had been signed by its Dutch subsidiary to exploit the Sirri island fields.

At Total, Mr. Desmarest's shy manner, his gray suits and his aristocratic air, the hallmark of graduates of France's *grandes ecoles*, have earned him the nickname Little Prince. But Mr. Desmarest, a mining engineer who became chairman and chief executive in 1995, is also known as the "central computer," a manager with a finely honed mind who forgets nothing, analyzes everything and moves audaciously.

He confesses that he was taken aback by the American reaction. "I was surprised by the magnitude of the coverage," he said.

Thierry Desmarest, Total chairman.

The confrontation was long in coming. European Union members who do a lot of business with Iran and Libya have long opposed American laws with extraterritorial dimensions: written in the United States but meant to affect trade beyond American borders. There is little question that France, Russia and the European Union knew, as one senior French foreign affairs official put it Thursday, "they were opening the abscess" with the Iranian move.

Mr. Desmarest does not say quite that, but his feelings about the law are barely disguised.

"We operate in 100 countries," he said. "In all these countries we make sure our operations are clean. We pay proper wages and treat people decently. But it is not our job to change the governments or impose policy."

Worms's Rise In Profit Seen Aiding Fight

Bloomberg News

PARIS — Worms & Cie. said Friday that its first-half profit rose 55 percent as three of its four main businesses — sugar, paper and insurance — showed higher earnings and its shipping unit returned to profit.

The profit growth comes as Worms strives to fight off a $5 billion takeover attempt by the French financier Francois Pinault, and analysts said the profit result could help fend off the hostile bid or force Mr. Pinault to raise his price.

Worms's directors reaffirmed Friday their unanimous rejection of the bid, made by Artemis SA, Mr. Pinault's family holding company.

"Most investors expect Mr. Pinault to raise his bid," said Eric Cuchet, a fund manager with Jean-Pierre Pinatton in Paris.

Profit for the half at Worms rose to 1.18 billion French francs ($198.1 million), or 20.99 francs a share, from 761 million francs, or 13.58 francs a share, a year earlier. The company said it expected the full year's profit to be "substantially above" the 1 billion francs it earned in 1996.

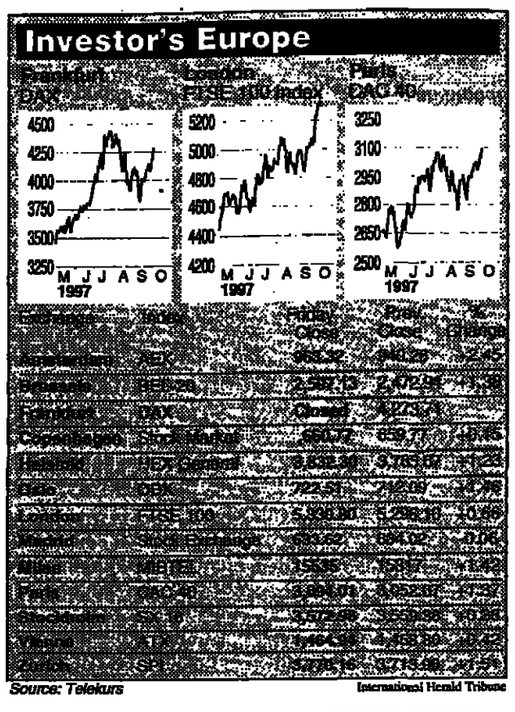
Shares in Worms fell 3.10 francs to close at 438.80. The shares were suspended from trading for a week after Mr. Pinault announced his bid Sept. 19. When they resumed trading Sept. 26, they jumped 32 francs, to 427.90.

Mr. Pinault has said in the French press that Worms lacks "focus." Worms's board said the price offered by Mr. Pinault was "inadequate" and did not reflect "the potential appreciation" of the company.

Worms is 22.1 percent owned by the Worms family, with the Agnelli family of Italy controlling an additional 20 percent. Assurances Generales de France owns 7 percent, and all three major investors are represented on the board.

Worms owns the insurer Athena SA, Generale Sucriere, Compagnie Nationale de Navigation and 40 percent of the British paper company Arjo Wiggins Appleton PLC. Together with the Agnelli family, which controls the carmaker Fiat SpA, Worms also owns a minority stake in Danone SA, Europe's third-biggest food company.

Mr. Pinault controls Pinault-Printemps-Redoute SA, a holding company that includes luxury department stores, an African trading company and an electrical-equipment distributor.



Very briefly:

• **Clarins SA**'s shares fell 16.9 percent, to 553 French francs ($92.82), after the cosmetics and fashion company reported a 54 percent decline in first-half earnings, to 66.3 million francs; its Thierry Mugler unit posted a loss of 34.6 million francs.

• **France and Italy** will present a proposal to reduce the average working week to the European Union's job summit in November, according to officials from the two countries. They said the proposal would not include any details on how much time should be cut from the work week, but the French government has said it aims to reduce the week gradually to 35 hours.

• **The Bank of Spain** cut its benchmark lending rate for the fifth time this year, by 25 basis points, to a record low of 5 percent.

• **Verity PLC**, a British electronics maker, posted a net loss of £7.7 million ($12.4 million) for the year ended Aug. 31, reversing a net profit of £2.3 million for the previous year, amid rising development costs for flat-panel audio technology and a restructuring charge of £3.5 million.

• **Sanofi SA** of France said it and **Bristol-Myers Squibb Co.** won U.S. Food and Drug Administration clearance to market irbesartan, a drug belonging to a new class of hypertension treatments that analysts said could generate more than $1 billion in annual sales.

• **France's** president, Jacques Chirac, and Prime Minister Jean Chretien of Canada wrote a letter asking President Ernesto Zedillo of Mexico to review a failed bid by a consortium led by **GEC Alsthom** and **Bombardier Inc.** to supply materials for the Mexico City subway, according to sources close to the Elysée Palace.

• **Carlsberg AS** plans to sell noncore activities to enable it to concentrate on the beer market and strengthen its global position, the weekly Boersens Nyhedsmagasin reported, quoting the brewer's managing director, Flemming Lindeloev.

• **British Airways PLC**'s managing director, Robert Ayling, said he was putting his faith in quiet diplomacy to save a planned alliance with **AMR Corp.**'s American Airlines that is being examined by European Union antitrust authorities; he refused to elaborate.

Bloomberg, AFX, Reuters

Siemens to Build Plant After Getting Union Concessions

Bloomberg News

MUNICH — Siemens AG said Friday it had won union agreement to more flexible working conditions, enabling it to build a factory in Germany valued at 200 million Deutsche marks ($113 million).

Siemens's chief executive, Heinrich von Pierer, said the electronics and engineering company would expand its medical-technology operations in Erlangen rather than at lower-cost locations that also had been under consideration.

"We came to an agreement that allows us to make the 5,000 jobs in Erlangen highly competitive," Mr. von Pierer said. "Without this agreement, a not-insignificant portion of those jobs would have been in great danger."

German unions are starting to agree to flexible working conditions in return for job security. Continental AG, a tiremaker, last week increased its workweek to 40 hours from 37.5 hours without raising pay.

Siemens's agreement with unions and the employees council allows production at least 12 hours a day, six days a week, and workers will not get bonus pay for working Saturdays.

"If all parties agree to work toward a common goal, it is possible to build high-tech products in Germany at competitive prices and thereby secure jobs," Mr. von Pierer said.

The new factory will develop and make magnetic resonance machines and other diagnostic and therapeutic tools. It is expected to open in the second half of 1999 in Erlangen, which is in the southern state of Bavaria near Nuremberg. Part of the factory will be built on a former U.S. military base.

"Medical technology remains a core business at Siemens," Mr. von Pierer said. The division's sales for the year that ended Tuesday are expected to be 7 billion DM, the company said.

The unit is still expected to post a loss for the year just ended but to have "much improved earnings" in fiscal 1998, Siemens said.

■ The Euro and Job Creation

The European Union can create 12 million jobs in five years through economic growth, EU commissioner Yves-Thibault de Silguy said, linking job prospects to the introduction of the planned common currency, the euro, Agence France-Presse reported from Paris.

Mr. de Silguy also forecast that Britain would adopt the new currency eventually.

The EU can create 12 million jobs in five years through annual economic growth of 3 percent to 3.5 percent, Mr. de Silguy said on French radio.

"This means we could reduce the average rate of unemployment in Europe to 7 percent," he said.

The remarks continue a recent campaign by Mr. de Silguy to emphasize the importance of the single currency. EU leaders are to decide in May which countries will begin using the euro Jan. 1, 1999.

WORLD STOCK MARKETS

Friday, Oct. 3
Prices in local currencies.
Telekurs

Amsterdam
AEX Index: 963.20 Previous: 948.36

	High	Low	Close	Prev.
ABN-AMRO	44.30	43.20	43.90	43.70
Aegon	170.50	164.50	169.90	165.40
Ahold	58.10	54.60	57.30	55
Akzo Nobel	360	348.50	358.20	350
Bank Ind	140.50	137.70	140.60	140.30
Bols Wessanen	37.50	36	37.30	35.80
CSM cvo	93.20	93.20	94.10	94.20
Dordtsche Pet	118.90	114.90	117.20	115.60
DSM	200	195.50	200	195.20
Elsevier	29.50	28.20	28.80	28.60
Fokker Neth	87.80	84.40	87.10	84.90
Getronics	63.50	62	63.50	62.30
Gucci	57.40	54.70	56.40	55.70
Hagemeyer	104.50	102.10	104.40	102.50
Heineken	356	349.50	355.50	352
Hoogovens cvo	131.40	125.30	128.80	128.50
Hunt Douglas	86.50	84.50	85.80	84.60
ING Group	99.50	95	97.80	95.50
KLM	74.60	72	74.40	70.10
KNP BT	54.10	53.50	54	54
KPN	79.90	76	79	77.80
Mediagrif Gp	69.10	67.40	68.90	67.90
Melexis	62.70	61	61.20	61.50
Dry Ginken	262.50	255.50	261	256
Philips Elec	177.50	173	177	171.50
Polygram	120	117.50	117.50	116
Rembrandt Hldg	84	81	83.30	82.80
Robeco	199	196.40	199	196
Rolinco	61.50	60.40	61.30	61
Rolinco	198	197.40	198	194.50
Royal Ahold	119.20	118	118	118.30
Stellaron cvo	443.50	433.70	441.50	433.30
Vendex Intl	119.30	117.90	118.40	118.30
VNU	48.90	46.50	48.60	46.80
Wolters Kluwer	273.80	265.50	270.50	270

Bangkok
SET Index: 508.37 Previous: 550.34

	High	Low	Close	Prev.
Adv Info Ser	260	246	254	252
Bangkok Bk F	184	171	171	187
Khrung Thai Bk	24.75	23.75	24.25	24.75
PTT Explor	457	394	400	400
Siam Cement F	410	374	374	380
Siam Com Bk F	118	116	116	118
Telecomasia	30	29.50	30	30
Thai Airways	58	54.50	57	59
Thai Farm Bk F	130	118	118	131
Utd Comm	110	107	110	110

Bombay
Sensex 30 Index: 30427.73 Previous: 29963.57

	High	Low	Close	Prev.
Bajaj Auto	583	565	568	564.75
Hindust Lever	1356	1326.50	1332.75	1346
Hindust Petrol	481.75	476	478.75	474
Ind Dev Bk	183	169	180.25	177
ITC	692	682	691	599.25
Jdhanagar Tel	261	253.25	255	259
Reliance Ind	369.75	353	355.75	363.50
State Bk Indon	273	267	268	273
Steel Authority	15.50	15	15	15.25
Tata Eng Loco	338.50	329	330.75	333

Brussels
All-Shr Index: 2607.12 Previous: 2592.94

	High	Low	Close	Prev.
Almanij	1890	1815	1840	1838
Banque Int	7780	7690	7750	7760
CBR	4000	3920	3980	3965
Cobepa	3970	3920	3950	3945
Delhaize Lion	1865	1815	1865	1840
Electrabel	7800	7730	7750	7740
Fortis Bank	3540	3525	3530	3545
Gevaert	3540	3475	3500	3490
Glaxo	7650	7420	7450	7450
Kredietbk Pri	4675	4590	4635	4595
Petrofina	5800	5700	5780	5780
Solvay	6900	6750	6800	6800
Tractebel	14875	14650	14900	14975
UCB	13900	13600	13600	13900

Copenhagen
Stock Index: 448.77 Previous: 439.77

	High	Low	Close	Prev.
BG Bank	302	297.50	300	297
Carlsberg B	380	367	380	370
Danske Bank	770	758	770	760
Danisco	405	390	393	395
Dan Bancorp Bk	775	774	775.50	775
FLS Industri B	460	448	450	450
GN Store Nord	340000	340000	340000	340000
Jyske Bank B	706	696	698	703
Lego	780	777	780	785
Nordic Shipping	770	760	770	765
Novo Nordisk B	1190	1160	1180	1190
Tele Danmark B	348	343	334	335
Unidanmark A	471	458	459.50	464
Vestas Wind A	443	432	440.50	430

Markets Closed

The stock markets in Frankfurt and Seoul were closed Friday for a holiday.

Helsinki
HEX General Index: 3022.30 Previous: 3005.67

	High	Low	Close	Prev.
Enso A	56.50	55.50	56	57.50
Hartwall I	208	205	205	207.50
Kesko	53	51	53	51
Nokia	74	73.50	74	74.50
Merita A	34.50	33.50	34.50	35.40
Metra B	156	154	155.50	153.50
Metsa-Serla B	50.50	49	50.50	49.10
Neste	148.50	137	140	139.50
Nokia A	539	506.50	517	512
Orion-Yhtyma	186	184	184	184.50
Outokumpu A	100	96	99.50	95
UPM-Kymmene	151.50	147.50	151	148.50
Valmet	95.50	92.50	95.50	92.50

Hong Kong
Hang Seng: 15728.02 Previous: 15949.30

	High	Low	Close	Prev.
Amoy Prop	8.60	8.35	8.60	8.45
Bk East Asia	28.95	28.60	28.65	28.90
Cathay Pacific	10.90	10.35	10.45	10.85
Cheung Kong	87.25	86	87	87.25
CK Infrastruct	22.50	21.50	22.05	22.10
China Light	42.60	42.50	42.50	42.60
Citic Pacific	44.10	42.50	42.60	43
Dah Sing Bk	34.50	34.10	34.10	34.90
First Pacific	8.10	7.70	8	7.75
Hong Long Dev	14.70	14.45	14.55	14.55
Hong Seng Bk	95.50	94.50	94.75	95
Hendersen Inv	8.60	8.40	8.45	8.65
Hendersen Ld	67.50	64.50	67	64.50
HK China Gas	16	15.85	15.95	15.90
HK Electric	29.40	28.75	29.25	28.80
HK Telecomm	18.50	17.75	18.25	17.50
Hopewell Hldgs	4.70	4.55	4.55	4.72
HSBC Hldgs	244	241	242	239
Hutchison Wh	76.25	74.75	75.25	76
Hysan Dev	23.50	22	23.10	23.15
Johnson El Hldg	21.10	21.05	21.05	21.10
Kerry Props	19	18.40	18.80	18.30
New World Dev	46.70	45.70	46.40	46.90
Oriental Press	2.52	2.48	2.48	2.50
Pacif Oriental	1.07	1.04	1.05	1.06
SHK Props.	95	93	94	91
Shun Tak Hldgs	4.95	4.70	4.82	4.95
Sino Land Co.	7.35	7.05	7.15	7.15
Sth China Prod	7.05	6.85	6.90	7
Swire Pac. A	59.50	57.75	57.75	59.25
Wharf Hldgs	28.45	28	28.10	28.55
Wheelock	15.85	15.40	15.70	15.80

Jakarta
Composite Index: 515.48 Previous: 526.92

	High	Low	Close	Prev.
Astra Intl	2500	2050	2200	2575
Bk Intl Indon	800	775	775	875
Bk Negara	825	775	800	875
Gudang Garam	9775	9000	9775	9550
Indocement	2375	2150	2200	2350
Indofood	4150	3800	3875	4150
Indosat	8700	8400	8500	8700
Kalbe Farma	4200	3900	3700	4250
Sampoerna HM	2975	2750	2750	2975
Sarana Graha	3975	3400	3450	3525
Telekomunikasi	3500	3400	3450	3525

Johannesburg
All Market: 7214.01 Previous: 7174.29

	High	Low	Close	Prev.
ABSA Group	32.15	31.90	32.15	31.95
Anglovaal Coal	281	278	281	276
AngloAm-Coca	349.50	346	349	346
AngloAm Gold	255	250	255	253
AngloAm Ind	177.50	174	177.25	177.50
AngloAm Plat	81.50	81	81.25	81
AVMIN	12.15	12.15	12.15	12.15
Barlow	53.75	52.75	53.75	53
C.G. Smith	22.25	22	22.25	22.10
De Beers	148.75	138.50	139.75	140
Deloitte&Touche	32.50	32.50	32.50	32.60
Fed Hott Bk	38.50	37.95	38.50	37.95
Gencor	11.60	11.30	11.50	11.40
GFSA	98.50	97	98.50	96.50
Imperial Hldgs	42	42	42	42.25
Iscor	23	22.50	22.90	22.70
Johnnic Intl	3.04	3	3.02	3.02
Liberty Hldgs	61.50	60.50	61.50	60.50
Liberty Life	354	352	354	354
L.H.L.de Steel	136	135	136	136
Minorco	16.85	16.10	16.85	16.10
Nampak	105	104	105	104.25
Nedcor	18.25	17.70	18.25	18
Nedtrade	100.50	99.50	100.50	99.75
Rembrandt Gp	44.50	43.15	44.50	43.75
Richemont	61.50	60.25	61.25	60.50
SA Breweries	138.25	136.75	138.25	134.50
Sasol	36.50	36.10	36.50	36.05
Sanlam	64.50	64	64.50	63.75
SBIC	207	204.50	207	206.50
Tiger Oats	69	68.75	68.75	68.75

Kuala Lumpur
Composite: 797.29 Previous: 791.58

	High	Low	Close	Prev.
AMMB Hldgs	8.50	8.25	8.50	8.45
Genting	10.10	9.85	10	9.85
Hall Banking	14.20	14	14.40	13.90
Hong Leong Bk	4.10	3.95	4.10	4.10
Petronas Gas	9.65	9.40	9.65	9.55
Proton	8.70	8.45	8.65	8.75
Public Bk	2.71	2.63	2.67	2.68
Rawang	3.30	3.14	3.18	3.20
Resorts World	7.06	6.85	6.85	7.05
Rothmans PM	24.75	24	24.75	24
Sime Darby	6.40	6.20	6.40	6.40
Tenaga Nas	10.10	9.80	9.80	9.80
Utd Engineers	8.05	7.75	8.05	7.80
YTL	4.88	4	4	4.08

London
FT-SE 100: 5330.80 Previous: 5296.30

	High	Low	Close	Prev.
Abbey Natl	9.72	9.38	9.45	9.79
Allied Domecq	4.84	4.75	4.82	4.81
Anglian Water	8.55	8.25	8.32	8.35
Argos	6.90	6.78	6.78	6.85
Asda Group	1.57	1.53	1.56	1.55
Assoc Br Foods	5.65	5.39	5.45	5.44
BAA	5.82	5.71	5.75	5.88
Barclays	17.68	16.30	16.95	17.59
Barg	8.49	8.29	8.37	8.30
BAT Ind	5.77	5.53	5.68	5.67
Bank Scotland	5.53	5.17	5.27	5.18
Blue Circle	3.87	3.80	3.81	3.87
BOC Group	11.09	10.43	11.07	11.04
Boots	9.05	8.88	9.01	8.96
BPB Ind	3.40	3.49	3.50	3.48
Brit Aerosp	17.30	16.86	17.27	17
Brit Airways	6.79	6.68	6.63	6.74
BG	2.65	2.62	2.63	2.64
Brit Land	6.99	6.65	6.96	6.59
Brit Petro	9.42	9.23	9.33	9.43
BSkyB	4.69	4.45	4.47	4.67
Brit Steel	1.82	1.78	1.81	1.79
Brit Telecom	4.73	4.58	4.65	4.51
BTR	2.50	2.34	2.38	2.46
Burmah Castrol	11.40	11.30	11.30	11.30
Buston Gp	1.36	1.33	1.35	1.33
Cable Wireless	5.75	5.63	5.67	5.65
Cadbury Schw	6.06	5.94	6.02	5.99
Carlton Comm	5.41	5.28	5.35	5.27
Comml Union	8.10	7.89	8.05	8.12
Compass Gp	6.87	6.80	6.86	6.79
Courtaulds	3.48	3.40	3.44	3.48
Dixons	6.86	6.64	6.85	6.74
Electrocomponents	4.90	4.75	4.88	4.73
EMI Group	6.06	5.95	6	6.01
Energy Group	6.55	6.50	6.50	6.50
Enterprise Oil	7	6.70	6.86	6.73
Fom Colonial	1.83	1.79	1.82	1.79
Gen'l Accident	11.08	10.90	11.01	10.97
GEC	4.11	4.04	4.09	4.06
GKN	14	13.52	13.97	13.67
Glaxo Wellcome	14	13.61	13.98	13.86
Granada Gp	8.77	8.60	8.65	8.77
Grand Met	5.95	5.72	5.78	5.82
GRE	3.25	3.15	3.19	3.22
Greenalls Gp	3.77	3.36	3.66	3.65
Guinness	5.83	5.70	5.77	5.84
GUS	7.23	7.08	7.13	7.08
Hays	4.80	4.73	4.78	4.80
HSBC Hldgs	22.16	21.60	21.75	21.87
ICI	10.23	10.11	10.20	10.29
Impl Tobacco	3.70	3.65	3.66	3.65
Kingfisher	8.57	8.23	8.31	8.63
Ladbroke	2.80	2.74	2.78	2.77
Land Sec	10.07	9.95	10.01	9.94
Lasmo	2.57	2.48	2.56	2.53
Legal Gen'l Grp	5.06	4.85	4.97	5.06
Lloyds TSB Gp	8.45	8.07	8.13	8.41
Lucas Varity	2.46	2.36	2.41	2.33
Marks Spencer	6.46	6.31	6.44	6.37
ME PC	5.45	5.23	5.44	5.23
Mercury Asset	13.52	13.30	13.33	13.54
Morlands Gold	2.84	2.80	2.83	2.83
Nat Power	5.71	5.64	5.66	5.68
NatWest	10.15	9.92	9.95	9.86
Med	7.57	7.32	7.35	7.47
Norwich Union	3.44	3.37	3.41	3.39
Orange	2.29	2.22	2.28	2.26
P&O	6.79	6.68	6.79	6.70
Pearson	7.86	7.75	7.86	7.81
Pilkington	1.57	1.54	1.54	1.56
PowerGen	7.83	7.57	7.69	7.83
Prudential	6.97	6.72	6.76	6.97
Railtrack Gp	9.18	8.95	9.06	8.99
Rank Group	3.69	3.57	3.64	3.66
Reckitt Colm	9.78	9.63	9.75	9.63
Redland	2.56	2.39	2.50	2.53
Reed Intl	5.35	5.24	5.28	5.23
Rentokil Initial	2.58	2.54	2.56	2.55
Reuters Hldgs	7.88	7.58	7.75	7.57
Rexam	3.45	3.29	3.37	3.43
RTZ reg	10.34	9.97	10.01	10.10
RMC Group	10.07	9.87	10.05	9.90
Rolls Royce	2.48	2.38	2.42	2.44
Royal Bk Scot	7.07	6.70	6.96	6.87
Royal & Sun All	6.02	5.83	6	5.89
Safeway	3.84	3.75	3.75	3.84
Sainsbury	4.60	4.49	4.53	4.51
Schroders	20.25	20.10	20.23	20.04
Scot Newcastle	7.22	7.13	7.22	7.13
Scot Power	4.98	4.84	4.90	4.88
Securicor	2.87	2.80	2.84	2.85
Severn Trent	9.37	9.25	9.30	9.26
Shell Transp R	4.92	4.73	4.84	4.80
Sidec	12.65	12.00	12.08	12.20
Smith Nephew	1.93	1.91	1.91	1.92
SmithKline	6.17	5.98	6.15	6.07
Smiths Ind	9.50	9.29	9.50	9.34
Sthern Elec	4.83	4.73	4.76	4.80
Stagecoach	4.83	4.77	4.77	4.81
Standard Chartered	8.68	8.27	8.37	8.53
Tate & Lyle	4.51	4.39	4.51	4.41
Tesco	4.59	4.51	4.56	4.52
Thames Water	9.12	8.92	8.95	9.10
TI Group	5.19	5.15	5.17	5.20
TI Group	6.82	6.72	6.80	6.76
Tomkins	3.47	3.40	3.42	3.45
Unilever	18.77	18.46	18.74	18.78
Utd Assurance	5.05	4.95	4.98	4.98
Utd News	7.92	7.82	7.90	7.88
Utd Utilities	7.78	7.66	7.69	7.82
Vodafone Lx shs	4.50	4.40	4.47	4.47
Vodafone	3.54	3.47	3.50	3.48
Whitbread	7.93	7.83	7.86	7.93
Williams Hldgs	3.75	3.65	3.73	3.65
Wolseley	5.15	5.05	5.12	5.07
WPP Group	2.91	2.85	2.91	2.87
Zeneca	20.85	20.50	20.81	20.63

Madrid
Index: 422.42 Previous: 424.02

	High	Low	Close	Prev.
Acerinox	28.120	27.750	27.770	28.140
ACESA	2000	1975	1980	1975
Agpes Bancaion	4100	3970	4100	4010
Argentaria	8980	8880	8920	8920
BBV	4750	4580	4715	4645
Bancaja	1525	1510	1515	1530
Banpinter	8940	8780	8910	8810
Bco Centro Hisp	6220	6120	6240	6220
Bco Popular	9600	9380	9530	9680
Bco Santander	4910	4830	4870	4850
CEPSA	4780	4620	4620	4685
Continente	3260	3115	3160	3150
Corp Mapfre	8390	8200	8250	8330
Endesa	3145	3110	3130	3110
Iberdrola	1225	1210	1220	1255
Gas Natural	7970	7790	7840	7970
Repsol	1800	1800	1800	1815
Tabacalera	2800	2715	2735	2800
Telefonica	4660	4540	4610	4580
Sevillana Elec	1425	1405	1405	1410
Vallehermoso	10200	10110	10200	10200
Tubacex	4655	4580	4580	4640
Union Fenosa	1310	1300	1310	1305
Valeo Cement	2995	2950	2970	2980

Manila
PSE Index: 2029.47 Previous: 2031.47

	High	Low	Close	Prev.
Ayala B	13.75	13.50	13.50	13
Ayala Land	14.50	14.50	14.50	14.50
Bk Philip Isl	102	101	101	102
C&P Homes	3.45	3.25	3.35	3.45
Manila Elec A	72	71.50	72	71.50
Metro Bank	287.50	267.50	275	292.50
Pelaco	4.45	4.30	4.40	4.45
PCIBank	1.45	1.45	1.45	1.45
Phil Long Dist	925	920	920	925
San Miguel B	55	54	55	55
SM Prime Hldg	6.60	6.40	6.50	6.30

Mexico
Bolsa Index: 5284.35 Previous: 5235.53

	High	Low	Close	Prev.
Alfa A	75.50	74.10	74.10	74.60
Bancaci B	24.10	23.00	23.00	23.70
Cemex CPO	40.40	39.50	39.80	39.90
Elektra C	17.46	17.28	17.28	17.38
Emp Modernas	41.45	41.00	41.00	41.60
Gpo Carso A1	63.40	61.00	61.00	62.00
Gpo F Bomber	3.52	3.40	3.40	3.48
Gpo Fin Inbursa	34.00	33.90	34.00	33.80
Kimb-Clark Mex	42.05	40.50	41.15	40.50
Telefonos CPO	154.00	151.30	151.30	152.50
TelMex L	20

NYSE

Friday's 4 P.M. Close

Nationwide prices not reflecting late trades elsewhere.

The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 16

Has Acer's Chief Lost His Touch?

Pessimistic Investors Pummel Stock

Bloomberg News

TAIPEI — Is Stan Shih, the founder of Acer Inc. and a self-proclaimed "gardener of microprocessing," losing his green thumb?

In less than three months, the Taiwan-based computer maker has lost more than half of its market value. The shares hit a record high of 111.50 Taiwan dollars ($3.90) on July 17. On Friday, they closed at 53.50, down 1.50, amid growing concern that the company will cut its 1997 profit forecast.

In March, Acer said it expected net profit to rise 31 percent this year, to 4 billion dollars, and predicted sales would rise 35 percent, to 77.7 billion dollars.

"Acer shares are collapsing," said Vincent Ho, manager of the $279 million Formosa Fund, who said he recently sold his Acer stock, which he said had constituted 2 percent of his portfolio.

The trouble, fund managers say, is that Mr. Shih is not living up to investors' high expectations. Slowing sales and losses at its U.S. subsidiaries have not helped.

Acer's September sales fell 10 percent short of analysts' predictions, and the company's profit fell by one-third in the year that ended in June. Acer, the world's eighth-largest personal-computer maker, said unaudited sales last month rose to 5.5 billion dollars, compared with the company's forecast of 6.0 billion dollars.

Mr. Shih "is a well-respected entrepreneur, but as its investors, we've got to be practical," Mr. Ho said.

The company is facing growing problems with its U.S. operations. Acer America Corp. had a loss of $45 million in the first half of this year. Texas Instruments-Acer Inc., meanwhile, recently slashed its forecast for 1997 net profit by 82 percent because of falling prices for memory chips. The joint venture with Texas Instruments Inc. posted a first-half loss of 667 million Taiwan dollars.

"I don't expect to see any quick fix in profits," Mr. Shih said in a recent interview. "The best that can happen is the unit breaks even in the fourth quarter. Investors should look at our long-term prospects."

In June, Texas Instruments-Acer said it would indefinitely delay completion of a $1.35 billion plant in Hsinchu, south of Taipei. Construction of the plant began in October 1996.

Few doubt Mr. Shih, 53, is in the U.S. market for the long haul.

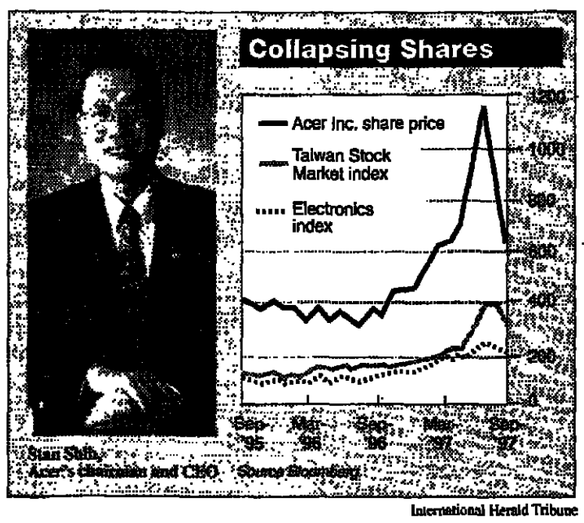
"It's a road that has no return," Mr. Ho said. "Acer will continue the operations, as it's determined to be one of the tiny island's few companies that impresses the world."

Many also say that if anyone can do it, Mr. Shih can.

In the early 1970s, he brought Taiwan the desktop calculator, in the 1980s he transformed the boxy PC into a sexy, must-have household appliance, and by the early 1990s, he had built Acer into an $8.7 billion empire.

Acer's 1996 financial year was marred by a sharp decline in prices for memory chips, one of its main products. In March, the company said profit for 1996 fell 44 percent, to 3.06 billion dollars, as sales dropped 8 percent, to 57.5 billion dollars.

The company said prices for dynamic random-access memory chips had fallen by as much as 80 percent that year.



International Herald Tribune

State Firm In China To Cut Jobs Of 150,000

Agence France-Presse

BEIJING — China moved Friday to trim its huge state-run enterprises, announcing that Aviation Industries of China would lay off 150,000 employees — almost one-fourth of its work force — over the next two years.

The cutbacks, aimed at improving efficiency, will reduce the company's payroll to around 500,000, the English-language China Daily newspaper reported.

Aviation Industries is the first major Chinese company to announce mass layoffs since the Communist Party's 15th Congress last month ordered the partial privatization of state corporations.

Around one-third of China's state enterprises are said to have debts that outweigh their fixed capital.

President Jiang Zemin warned the congress that economic reforms would mean painful job losses. Employment cuts already have led to outbreaks of unrest in some Chinese cities.

The news report said the aviation company expected to implement the job cuts by 2000, when it hopes to need only 200,000 employees.

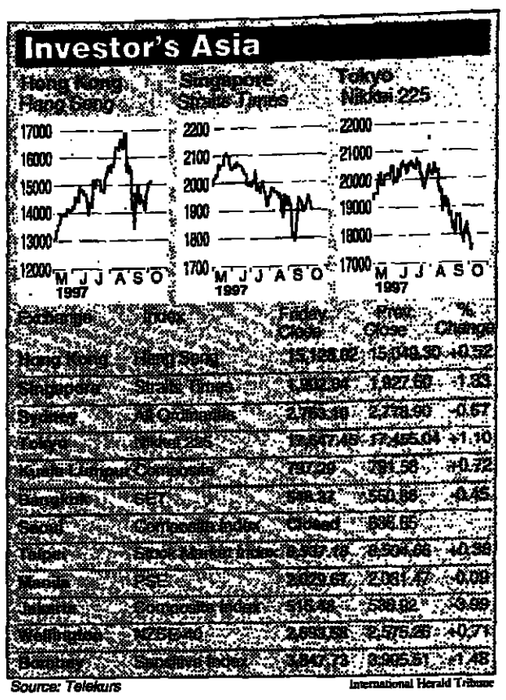
"The aviation industry is determined to cut surplus workers from unnecessary positions with the aim of boosting efficiency and profitability," the China Daily reported.

Ren Wei, an Aviation Industries executive, told the newspaper that the people to be laid off would "not be left to their own devices."

He said the company would "channel some investment to develop tertiary industries and other civil production, which is expected to create sufficient jobs to absorb those laid off."

Aviation Industries, formerly the ministry in charge of military aviation, includes a large number of companies in a variety of sectors. Some of its units are partly foreign-owned.

Social unrest from the economic revolution under way is one of the main worries of the Chinese leadership, even though Mr. Jiang said the 113 million state workers must "change their mentality" and not rely on government support.



Very briefly:

• **The European Automobile Manufacturers Association** said it would ask the European Commission to take measures to ensure market access for its models in **South Korea**; new European passenger-car registrations in South Korea fell 33 percent in the first six months of this year, to 2,284, the association said, yet South Korea's vehicle exports to the European Union last year rose 38 percent, to 253,000.

• **Samsung Group** of South Korea said it would set up an automotive division in Sydney, creating 200 jobs.

• **India's** National Stock Exchange in New Delhi suspended trading after a power failure aboard the satellite that beams its transactions around the nation.

• **Lockheed Martin Corp.** and **NEC Corp.** agreed to work together to develop a market for electronic personal-identification systems.

• **Daewoo Motor Co.** plans to invest $55 million before the end of next week in a venture with the Ukrainian automaker **AvtoZaz**.

• **Burns, Philp & Co.** of Sydney agreed to sell its herb-and-spice business in the United States and Europe to a group of managers at its plant in Ankeny, Iowa, for a lower-than-expected $171 million.

• **The United States** signed a grant agreement valued at $358,000 to help **Bayan Telecommunications Holdings** of the Philippines develop an expansion plan.

• **Indonesia** said it planned to unveil tough new rules by the end of the year aimed at bolstering the financial security of the domestic insurance industry.

• **Bank Indonesia**, the central bank, said it would provide swap facilities to selected exporters to lift the country's exports and cut its trade gap.

• **Vietnam's** prime minister, Phan Van Khai, appointed Do Que Luong as acting governor of the State Bank of Vietnam.

Bloomberg, Reuters, AP, AFP, AFX

Unemployment In Japan, at 3.4%, Remains 'Severe'

Compiled by Our Staff From Dispatches

TOKYO — An unemployment rate that Japan regards as high remained at 3.4 percent in August, the government said Friday.

The joblessness rate is still "high and severe," said an official with the Management and Coordination Agency, which compiled the data.

The rate was at a record 3.5 percent in May and June. It also reached that level during those months a year earlier.

Separately, more Japanese companies cut their earnings estimates for the half-year that ended Tuesday, as heavyweights ranging from Hitachi Ltd. to Mitsukoshi Ltd. to Mitsui Engineering & Shipbuilding Ltd. either cut profit forecasts or projected losses. *(AP, Bloomberg)*

Internet, Phones, Ships and Croissants

Bakery Purchase Raises Questions About Sembawang's Diversification

Bloomberg News

SINGAPORE — Buy a condo, make a phone call, surf the Internet or pick up a croissant here, and you could be adding to Sembawang Corp.'s coffers.

Fleeing shrinking margins in its main business of repairing ships, Sembawang, which was the first shipyard company to be listed on the Singapore stock exchange when it joined in 1973, has sought new businesses to enter.

The company said Thursday that it would pay 1.80 Singapore dollars ($1.18) a share, or 165.8 million dollars, to buy 51 percent of Delifrance Asia Ltd., whose 154 French-style café outlets and bakeries dot the island state and other countries in the region.

With this purchase, though, Sembawang may have become overextended, analysts said.

"It's not surprising they're buying a food company, but Delifrance?" said Linda Kwok, head of research at BZW-Pacific Union Pte., a Singapore stockbrokerage. What can they add? What will they think of next?"

This wariness drove investors to pull Sembawang's shares down 25 cents, or 3.7 percent, to close at 6.45 dollars Friday.

It does not help that Sembawang may be paying too much for the diversification, piling on more debt, analysts said.

In addition, on Wednesday, Sembawang joined with WorldCom Inc. and Singapore MRT, the Singapore subway system's operator, to bid for a license to offer fixed-line phone services in Singapore.

"Everybody was expecting some involvement in the telecom and food sectors, but I didn't expect it in one day," said Rainer Gumpert, analyst at HSBC James Capel.

Several years ago, Sembawang attempted to get into the food industry through a failed takeover bid for Yeo Hiap Seng Ltd., a Singapore-based maker of soft drinks and traditional Asian canned foods. Now, it has a beachhead in the Asian food business, but it is not what investors had expected.

Sembawang's drive has been spearheaded by Philip Yeo, its chairman, who joined the company in 1994 and is also the head of Singapore's Economic Development Board.

Prompted by declining ship-repair margins and intense competition from shipyards elsewhere, including the Middle East, Sembawang has been on a drive to diversify its earnings. Its rival, Keppel Corp., has expanded from ship repair to property and banking.

Sembawang's businesses have gone from ship repair and engineering to oil and gas, to property and resort development, to Internet services.

8 Leave Top Nikko Securities Posts Over Payoff Scandal

Bloomberg News

TOKYO — Nikko Securities Co.'s president, chairman and six other executives resigned Friday to apologize for allegedly paying off a gangster in a scandal that has already claimed the jobs of top executives at the rest of Japan's four largest brokerages.

"I am very sorry to have shocked the public and to have caused the company to lose the trust of its customers," Kichiro Takao, 62, Nikko's president, said at a news briefing at the Tokyo Stock Exchange to announce the resignations.

Authorities have raided offices of Nomura Securities Co., Daiwa Securities Co., Yamaichi Securities Co. and, most recently, Nikko for evidence that the companies paid millions of dollars in hush money to an admitted racketeer, Ryuichi Koike.

Japanese executives often step down in the midst of a scandal, even when not directly implicated, but are commonly kept on in important but low-profile advisory roles. This is the second time that Takuya Iwasaki, Nikko's chairman, has resigned from the company, having quit as president in 1991 in another scandal linked to gangsters. Succeeding Mr. Takao as Nikko's president will be Masashi Kaneko, 58, a vice president. The senior managing director, Hajime Imada, 57, will become chairman, Nikko said.

Mr. Kaneko said he had no part in the payoff scandal. "I only joined the company's board last year, and I've had nothing to do with any of this," he said.

Mr. Kaneko pledged to "pursue 100 percent transparency in the company's operations" and said he would hire European, U.S. and Japanese experts to bring Nikko "up to global standards."

Pepsi Links With Japan's Suntory

Compiled by Our Staff From Dispatches

TOKYO — Suntory Ltd. said Friday that it would form an alliance with PepsiCo Inc. to challenge the dominance of Coca-Cola Co. in Japanese soft drink market.

PepsiCo sold the marketing rights in Japan for four of its main soft drinks to Suntory, Japan's second-biggest soft drink maker, for an undisclosed amount. Suntory will start selling Pepsi, Diet Pepsi, 7-Up and Mountain Dew in January.

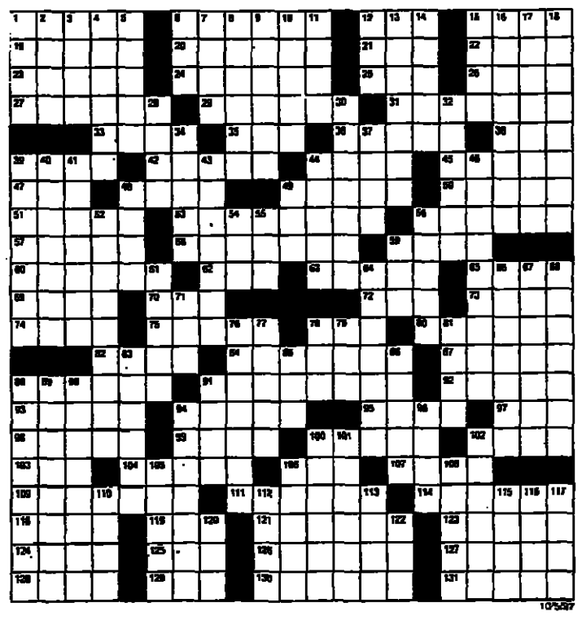
The alliance would allow PepsiCo to use Suntory's national retail network to improve its dwindling soft drink sales in Japan and would give Suntory access to Pepsi's popular brands.

"Pepsi has been struggling to increase sales in Japan because of the other cola company that came to Japan earlier," said Suntory's president, Shinichiro Torii, referring to Coca-Cola.

About one-third of Japan's 3.15 trillion yen ($25.9 billion) soft drink market is controlled by companies affiliated with Coca-Cola, according to Beverage and Food Statistics Monthly, an industry publication. Suntory controls 9.5 percent, it said.

The move will double PepsiCo's share in Japan's cola market "soon," said Craig Weatherup, PepsiCo's chief executive. PepsiCo's current share is 12 percent to 15 percent, he said. *(AP, Bloomberg)*

BASEBALL BY THE NUMBERS By Derrick Niederman



ACROSS

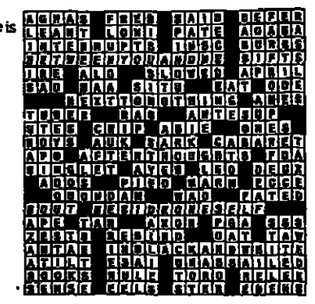
1 Freight
6 ◄ Player with this retired number
12 Overly smooth
15 "... this sceptred ——": "Richard II"
19 Site of Joan of Arc's demise
20 Dutch royal house
21 Goof
22 Switchblade
23 Words before clear or way
24 ◄ Player with this retired number, informally
25 Famed railsplitter
26 TV
27 Mideast capital
29 Center of Anytown, U.S.A.
31 Golfer Juli
33 Tennis's Nastase
35 Film director —— Lee
36 Exceed
38 Hearty cheer
39 Without a date
42 "—— at 'em!"
44 Johnson of "Laugh-In"
45 Throat projection
47 Where the Paraná River is: Abbr.
48 First name in horror
49 Prank
50 Honored
51 Shadow companion
53 Dumps
56 "East of Eden" co-star
57 Garlic segment
58 State tree of Missouri
59 Transcript
60 ◄ Season record for which 3-Down had this number
62 Caviar
63 Gypsy, traditionally
65 ——-European
69 Upper, in Saxony
70 Open tract
72 Champ of 10/30/74
73 New Mexico resort
74 Colleague of Farrar and Maleska
75 Travel aid
78 Hex, of a sort
80 Convention activity
82 Pathetic
84 Waxy bloomer
87 Cousin of a loon
88 Clippers
91 Roosevelt quartet
92 Parrot's word
93 It's missing in manana
94 Duck
95 Meat stamp
97 Romanian coin
98 Copier button
99 Slow-moving
100 Race official
102 Boxer Willard
103 Uris hero
104 Brand name at picnics
106 Know-how
107 London gallery
109 ◄ Team that won this many games in 1961
111 ◄ Member of the only team to win this many games in a season
114 Classic action figures
118 Boast
119 Free (of)
121 Wield
123 Supercharger
124 Height: Prefix
125 Debenture, basically
126 More cunning
127 Open
128 Bygone era
129 Charlotte-to-Raleigh dir.
130 ◄ Season record for which Rickey Henderson had this number
131 Actress Young and others

DOWN

1 Lit —— (college course)
2 Top-flight
3 ◄ Player with this retired number
4 ◄ Player with this retired number
5 "Peyton Place" actor
6 Decimate, with "down"
7 —— and Thummim (Judaic objects)
8 Obeisance
9 Kind of skate
10 Curing, in a way
11 Noted Virginia family
12 Shade of green
13 Umpire
14 Movement
15 Practitioners' suffix
16 ◄ Season record for which Grover Cleveland Alexander had this number
17 One smeared in England
18 Big name in batteries
28 Blue ——
30 Sink
32 ◄ Player with this retired number
34 Sought lampreys
37 Western Athletic Conference team
39 Skating jump
40 Object with three round projections
41 Nickname
43 Like certain elections
44 ◄ Player with this retired number
46 Clothing
48 Rabbit or Fox preceder
49 Murmur
52 Swampy tract
54 Hubris source
55 Nor. neighbor
56 First TV series to show a baby being born, 1955
59 60's chess champ
61 Impugns
64 Harshest sentence
66 Enclosed part of a blimp
67 ◄ Season record for which Earl Webb had this number
68 Bony
71 Printemps follower
76 Region of 101-Down
77 Rundown
78 Vegetable container
79 Plastic —— Band
81 Turkish title
83 "—— Good Times Really Over" (1982 country hit)
85 Golly
86 Good will, e.g.
88 Meower
89 V.I.P.
90 "Hamlet" locale
91 Custard
94 What an apostrophe may signal
96 Bummer
100 Supersize drink
101 Where Firenze is
102 Insipid
105 Spooky
106 Let in
108 Emperor after Vespasian
110 Tae —— do
112 The latest
113 Carol
115 Killer whale
116 "My People" author
117 Absorbs, with "up"
120 Scheduled
122 Many mos.

© New York Times/Edited by Will Shortz.

Solution to Puzzle of Sept. 27-28



HOTELS: *Europeans Go Global to Keep Up With the Americans*

Continued from Page 11

The upheaval, he added, though wrenching, also provides European chains such as Accor SA in France and Forte PLC in Britain, a unit of Granada Group PLC, an opportunity to become world players.

They are seizing the opportunity, largely by copying the American model. The Europeans are increasingly separating real estate holdings from hotel management operations, a bookkeeping practice designed to raise the return on investment for hotel companies. They are also luring business travelers with such amenities as voice mail and computerized business centers.

Taking another page from the textbook, the Europeans are increasing their clout by merging forces, taking over weaker properties and pushing aggressively into the budget-hotel business.

Accor announced in March, for example, that it was teaming up with NH Hoteles SA, a unit of Corp. Financiera Reunida SA, a beverage and hotel group in Spain, to open 60 budget hotels under Accor's Ibis brand around Madrid and other Spanish cities.

Earlier, Hilton International, a unit of Britain's Ladbroke Group that acquired the Hilton name outside North America in 1988, announced an equity swap and marketing alliance with Hilton Hotels Corp. of New York.

To finance their growth, European chains have discovered the stock market. In Britain, six medium-range hotel companies went public in 1996, and two more have followed so far this year.

Much of the action is in response to an American invasion of the European hotel trade. Marriott began dipping its toes in Europe's hotel waters two decades ago, but only two years ago plunged in with a construction and acquisition binge that has so far doubled the number of its rooms, to more than 6,000.

Other American companies are spreading franchising practices to Europe. In 1993, for instance, Choice Hotels International Inc., the Maryland-based franchising company that is a unit of Manor Care, entered Europe with brands like Quality, Clarion and Sleep, and now boasts 360 hotels. By the end of the century, Choice executives expect the number to exceed 500.

In the same period, HFS expects to increase the number of its hotels outside the United States to 1,000, from 300 now. Most of the additions will be in Europe.

Eric Pfeffer, the president and managing director of HFS Global Services, is leading his company's invasion of Europe, negotiating agreements with European chains.

The Americans are not just aiming for the mass market, either.

ITT's Sheraton unit, long a presence in Europe, controls the gilded Compagnia Italiana Generale Alberghi that owns such jewels as the Ritz in Madrid and Des Bains on the Venice Lido. In June, the American investor Asher Edelman surprised the hotel industry by offering $630 million for the French Societe du Louvre Group, which owns the fabled Le Crillon on the Place de la Concorde in Paris.

The European hotel business has become "very attractive" to American investors, Mr. Edelman said by phone from New York.

"Luxury is being substantially reborn; tourism and business travel have picked up substantially. And it's helped by the weakness of European currencies."

For all the influence of the American chains, the Europeans insist they are not about to become Yankee clones. For one thing, they say, regional differences on the Continent are too great to allow the uniformity of style and service that is possible in the United States.

That is why Mr. Escarrer split Sol Melia, which operates 215 hotels in 25 countries, into five geographical divisions.

"At many levels, I am very Americanized, like the Americanization of our management style, with bottom-up communications," he said. "Having said that, our style remains for sure not American, though not Spanish, either."

No Sure On Fees
No Monthly Minimums
ITC
INTERNATIONAL TELEPHONE COMPANY
WORLDWIDE CALL BACK SYSTEM
SAVE UP TO 80%
Distributors Needed Worldwide
For Call Back International, Domestic & Cellular
International Telephone Company
290 Pratt Street, Meriden, CT 06450-2118
1800-638-5558 ext. 91 / 203-238-9794 Fax: 203-929-4906
"Limited Countries Available"

هكذا من الأصل

NASDAQ

Friday's 4 P.M.

The 1,000 most-traded National Market securities in terms of dollar value, updated twice a year.

The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
		A-B-C								
		D-E-F								
		G-H-I								
		J-K-L								
		M-N-O								
		P-Q-R								
		S-T-U								
		V-W-X								
		Y-Z								

NYSE

Friday's 4 P.M. Close

(Continued)

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
		P-Q-R								
		S-T-U								
		V-W-X								
		Y-Z								

هكذا من الأصل

هكذا من الاصل

Advertisement

INTERNATIONAL FUNDS

October 3, 1997

available on Internet: http://www.iht.com/IHT/FUN/funds.html

Quotations supplied by fund groups to Micropal Paris (tel: 33-1 40 28 09 09)

service sponsored by NOKIA

For information on how to list your fund, fax Katy Houri at (33-1) 41 43 92 12 or E-mail : funds@iht.com
To receive free daily quotations for your funds by E-mail : suscribe at e-funds@iht.com

m The Vietnam Frontier Fund	$	10.64	
IMA FLEMING FUND MANAGEMENT			
LUXEMBOURG (Tel : 352 34 101)			
THE OASIS FUND SICAV			
w International Equity Fund	$	11.4904	
IMA FOCUS BANK A.S. (Phone : 47-728 92 017)			
w Focus Int Growth Fd	$	1.24	
IMA FOREIGN & COLONIAL EMERG MKTS LTD			
Tel : London (71 628 1811)			
g Argentinian Invest Co Sicav	$	20.00	
g Brazilian Invest Co Sicav	$	58.00	
g Colombian Invest Co Sicav	$	13.00	
g Indian Invest Co Sicav	$	6.50	
g Latin Amer Equity Value Fd	$	10,240.00	
g Latin American Invest Co	$	14.97	
g Mexican Invest Co Sicav	$	26.12	
g Peruvian Invest Co Sicav	$	20.26	
g Polish Invest Co Sicav	$	13.44	
g Taiwan Inv Co	$	14.70	
g Glbl Em Mkts Inv Co Sicav	$	33.11	
w Russian Investment Co	$	22.30	
FOREST INV MANAGEMENT (BDA) LTD			
Fax : 01 441 295-2305			
m Global Conv Fd Cl A-5	$	10.00	
m Global Conv Fd Cl B-1	$	10.00	
m Global Conv Fd Cl B-2	$	10.00	
m Global Conv Fd Cl B-5	$	10.00	
IMA FORMULA GROUP			
g Formula Fund Inv	$	115.05	
IMA FRIEDBERG MULTI-SECTOR FUNDS			
Tel: (416) 364-1171/Fax: (416) 364-0372			
w Friedberg Canada	$	715.45	
w Friedberg Fixed Income	$	1016.44	
w Friedberg Equity Hedge	$	1097.34	
w Friedberg Global Equity	$	1097.34	
w Friedberg Global Opp Fd Ltd	$	1264.02	
IMA FUND MARKETING GROUP (BAD)			
P.O. Box 3085, Hamilton, Bermuda			
m FMG Global (31Aug)	$	20.77	
m FMG W. Asian (31Aug)	$	14.15	
m FMG Europe (31Aug)	DM	16.47	
m FMG EMG MKT (31Aug)	$	18.10	
m FMG 9 (31Aug)	$	20.09	
m FMG Pacific (31Aug)	$	17.47	
g Global Bond Growth Fd	$	48.11	
m The Russian Fedelity (31Aug)	$	44.32	
IMA FURMAN SELZ FINANCIAL SERVICES			
Tel: +353 1 679 7922/Fax: +353 1 679 7928			
w Consol Int Fd Ltd		[illegible]	
w Jensen Corp		[illegible]	
w Accide USA Fund		[illegible]	
w Accide USA Growth Fund		[illegible]	
w Fleetwood Cap Intl Ltd		[illegible]	
w Dos Investments A Ltd		[illegible]	
w Dos Investments B Ltd		[illegible]	
w Integrated Fund Ltd		871.15	
w The Peters group Intl Ltd		$150,554.00	
IMA GAIA CHRISTIAN (FAX 52205			
Tel: 353 1 671 2116/Fax: 353 1 676 0235			
m Gaia Hedge II	$	190.35	
m Gaia Flex	$	192.20	
m Gaia Guaranteed Cl. II	$	98.99	
IMA GAMA FUNDS (FAX 52205			
Tel: 353 1 671 2116/Fax: 353 1 676 0235			
m Gaia Hedge II	$	190.35	
m Gaia Flex	$	192.20	
m Gaia Guaranteed Cl. II	$	98.99	
IMA GLOBAL ASSET MANAGEMENT			
(FAX: (1) 508.393.1672/Intl: 508.393.1672)			
INTERNET SITE http://www.gamaglobal.com			
OFFSHORE FUNDS			
11 Allen St, Douglas, Isle of Man 44(624)-626037			
w GAM Euroland Bond		171.93	
w GAM Alexander Fd		100.24	
w GAM ASIAN		372.55	
w GAM Asian Bond Fd		97.36	
w GAM Asian Dev Mkts		97.36	
w GAM Australia		296.37	
w GAM Bond		180.24	
w GAM Bond DM		148.36	
w GAM Bond SF		120.28	
w GAM Bond USS Dnd		145.33	
w GAM Bond USS Special		237.47	
w GAM Canada		164.57	
w GAM Capital Appreciation Inc		171.17	
w GAM COFF Inc		111.36	
w GAM Continental		148.67	
w GAM Diversity		207.71	
w GAM Dollar and International		118.72	
w GAM East Asia		64.81	
w GAM Emerg Mkts Mid-Fd		203.51	
w GAM Europe	FF	2438.01	
w GAM GAMCO		25.64	
w GAM High Yield		222.59	
w GAM Japan		133.59	
w GAM Japan Smaller Cos		152.15	
w GAM Japan		1051.62	
w GAM Leveraged Inc		206.37	
w GAM Mid-Europe DM	DM	217.11	
w GAM Mid-Europe USS		205.40	
w GAM Mid-Pacific		141.27	
w GAM Multi U.S. USS		134.54	
w GAM Pacific		180.57	
w GAM Pan Europe		180.99	
w GAM Pan European		179.00	
w GAM Pan Asia		143.70	
w GAM Selection		197.58	
w GAM SF Special Bond		186.13	
w GAM Singapore/Malaysia		610.71	
w GAM Tokyo		138.22	
w GAM Trading DM	DM	201.27	
w GAM Trading II USS		252.79	
w GAM Trading II DEM CI	DM	108.55	
w GAM Trading II USD CI		104.95	
w GAM Trading II USD CI		104.95	
w GAM U.S.		438.71	
w GAM Universal USS		189.24	
w GAM Worldwide		1004.48	
w GAMerica		298.06	
w GAM Transatlantic		1359.32	
w GSAM GAM Composite	$	143.16	
w GSAM DM Composite	DM	301.38	
w GSAM GBP Composite		179.98	
w GSAM GBP Composite		116.84	
w GAMASIA Omega Fd inc		114.48	
w GSAM Classic		224.73	
w GSAM Money Mkts DM	DM	100.63	
w GSAM Money Mkts USS	$	101.43	
w GSAM Money Mkts Ster		101.43	
w GSAM Money Mkts USS		101.29	
SWISS REGISTERED FUNDS (41-1-242 2626)			
Multicurrency: FRANCE/SWITZERLAND			
w GAM (CH) Europe	SF	157.95	
w GAM (CH) North America		179.18	
w GAM (CH) Pacific	SF	270.23	
IRISH REGISTERED UCITS			
INDEX ASSET ALLOC			
w Indexinvest Asset Prft-Philip A		11.49	
w Indexinvest Asset Prft-Philip B		11.56	
w ISA Asset Growth Fund		78.45	
w ISA Asset Reg. Growth Fd		641.00	
w ISA Pacific Gold Fund		14.41	
w ISA Asset Bond Fund		14.91	
w Indexinvest Asset Fund		6.78	
w Shanghai Fund		14.96	
w Helvetia Fund		15.70	
w World Fund		11.76	
w Wallis Ltd Fund		11.70	
w Indexinvest Asset Fund		10.93	
w Indexinvest Hong Kong Fund		81.7256	
w Indexinvest Hong K. Valley Tst		52.0000	
w Indexinvest Pac. Growth Fd		12.3000	
w Indexinvest Japan Fd		12.3000	
w Indexinvest Venezuela Fund		34.7000	
w Indexinvest Asset Prft-Index A		10.93	
w Indexinvest Asset Prft-Index B		10.57	
IMA CREDIT COMMERCIAL DE FRANCE			
w Cadence Monetaire		17205.74	
w Sam Ackerman USD B	$	1504.70	
IMA CREDIT LYONNAIS ROUSE (Bermuda) LTD			
w Asian Equity Fd		12.57	
[illegible]			
IMA BANQUE BELGE ASSET MGMT FUND			
[illegible]			
IMA BANQUE EDOUARD CONSTANT			
[illegible]			
IMA BANQUE FRANCAISE DE L'ORIENT			
[illegible]			
IMA BANQUE SCS ALLIANCE			
[illegible]			
IMA BARCLAYS GLOBAL INVESTORS SE			
[illegible]			
IMA BARING INTL FD MANGRS (IRELAND LTD (NON SIB RECOGNIZED) IFA# 82903			
[illegible]			
IMA BARING INTL FD MNGRS (IRELAND LTD (NON SIB RECOGNIZED) IFA# 82903			
[illegible]			
IMA BANK BRUSSELS LAMBERT (32-2) 483 2340			
[illegible]			
IMA BANK EDOUARD MOLINARD			
[illegible]			
IMA BANQUE INTERNATIONALE A LUXEMBOURG			
[illegible]			
IMA BANQUE PARIBAS LUXEMBOURG			
[illegible]			
**IMA BANQUE PARIBAS (SUISSE) SA

Herald Tribune INTERNATIONAL

THE MONEY REPORT

SATURDAY-SUNDAY, OCTOBER 4-5, 1997
PAGE 18

Wallflowers No More: Index Funds as Global Investment Darlings

By Iain Jenkins

WITH A POWERFUL run for most of this year, index funds seem to have won a victory in their battle with traditional, active managers. Unlike managers who seek to provide high returns by picking the best stocks or other investments for their mutual funds, index funds seek to do nothing more ambitious than track the performance of a major market gauge, such as the Standard & Poor's 500 stock index in the United States.

Because these funds do not require much research or star salaries for their managers, they can put more assets to work than traditional competitors. Of course, a properly constructed index fund will fall in a bear market and plunge in a panic, but the United States is enjoying the third straight year of rising stock prices and many active managers have not kept up.

From the start of the year until mid-September, Vanguard's 500 Index fund has thrashed 80 percent of U.S. fund managers. *In doing so, it has enabled* index funds to shake off their dull image to become the hottest investment product around.

But is the argument for index funds really so clear-cut?

Skeptics say the performance of Vanguard and other S&P 500 index funds is a freak due to the extraordinary outperformance of large-capitalization stocks in the United States and Europe. They warn investors that the S&P can perform badly, as it did in the 1970s, and that in Japan and emerging markets, index funds have dramatically underperformed active managers in recent years.

These arguments are falling on deaf ears. Around the world, investors are pouring money into index funds at record rates. Vanguard's 500 Index has led the charge, attracting $10 billion worth of new money in the first nine months of the year. The fund is now the second largest *in the United States, with $49 billion of* assets, and is catching Fidelity's giant $60 billion Magellan fund, which closed to new investors last week.

A similar story is reported in Britain, where index funds are now winning 12 percent of the money that is being invested in Personal Equity Products, far above their normal market share of 4 to 5 percent, according to Barclays Global Investors, the world's largest index manager. Furthermore, Barclays Global says that although indexation has a minimal market share in the rest of Europe and Japan, it is gaining ground.

*Andrew Skirton, chief investment of*ficer for Europe of Barclays Global in London, explained the change of mood.

"Initially, there is a resistance to index funds," he said. "Humans are natural 'bulls,' which means that they prefer the upside promises made by active fund managers. However, increasingly the retail investor is focusing on performance and see that they are paying large fees to managers who disappoint them."

While the underperformance of active managers has been embarrassing in the first nine months of the year, it has *also been awkward for the index in*dustry. Managers of index funds know that their exceptional outperformance is due to large-cap companies and hope that investors do not invest in their funds with unrealistic expectations.

"We are worried that people are investing in the fund for the wrong reasons," said Gus Sauter, marketing director of Vanguard. "We know that index funds outperform the average fund manager over time, but not normally by such a large margin in the short term. We don't want them to think it will go on like that."

He says investors should look at longer periods to get a more representative idea. Over five years, Vanguard's 500 Index was ranked 42d out of 252 large-blend U.S. mutual funds, with a performance of 158.35 percent, according to the Chicago-based fund-tracking company Morningstar. Meanwhile, the average fund manager in the category only managed a return of 137.78 percent.

The worst fund was Steadman American Industry, which lost 30 percent.

"Some active managers do beat the index and they are worth looking at," said John Kelly, investment director of Barclays Funds, the retail associate of Barclays Global in London. "However, the majority don't. So why take risks with a fund manager when you can get outperformance in the long term from the index? You know that your manager isn't going to move jobs, have personal problems or discover that their strategy has stopped working."

Statistical support for index funds comes from the fact that investment performance will eventually return to the mean. In other words, fund managers can perform well one year but cannot sustain it over the longer term. Meanwhile, the index can sustain its average performance and because an index fund has lower costs than an active manager by about 1 percent a year, it will come out ahead in the long run.

INDEX INVESTING

While few can argue with the theory, problems are revealed in a look at the data. Unfortunately for *index funds, the data does not always* support their case, said Kevin McDevitt, who analyzes the index industry for Morningstar.

"In the era of large cap stocks, the index does beat the majority of fund managers," he said. "And recently in Japan and emerging markets the active manager wins."

Morningstar says that in Japan, the Nikkei index, which is down 8.85 percent this year in yen terms, has performed worse than most managers because the managers have underweighted the poor performing financial stocks, which the index obviously cannot do. The index also struggles badly in emerging markets.

"The problem is that the index is weighted by market cap, which means they have a huge weighting in the Pacific Rim," Mr. McDevitt said.

Lori Lucas, vice president of Ibbotson Associates in Chicago, who has analyzed the Russell 2000 Index using Morningstar data, said the index only beat 16 percent of fund managers over the past 10 years. She said it was not clear whether index funds beat the manager in small-company stocks and emerging markets, but agreed that they would perform better in the liquid markets reflected in the S&P 500, London's Financial Times-Stock Exchange 100 index and the CAC-40 index in Paris.

"It does seem that the index argument works best in the liquid large cap but even here investors should be cautious," she warned. "From time to time, the S&P 500 will underperform the market as it did many times in the '70s. Nevertheless, index funds are an appropriate vehicle for core large-cap holdings."

Yet using the same Morningstar database, Vanguard comes up with a different conclusion.

"What we find is consistent outperformance of the index except in the small-cap area," Mr. Sauter said. "Even in Japan, over three years the index has beaten 86 percent of active managers and 67 percent over five years. In emerging markets, the MSCI index beat 100 percent of fund managers over five years."

Both sides of the debate acknowledge that the statistical differences may reflect a failure to get a true "apples-to-apples comparison" over time periods and the definitions of exactly what a *fund does. There is also a shortage of* funds with which to compare the key index in many markets.

For anyone tempted by the index argument, there are a number of things to watch. The first is that, remarkably, some funds underperform their indexes. This is known as tracking error and can occur when the index involved contains a large number of small stocks. Rather than buying all the shares in the index, a fund manager will attempt to replicate its movements by purchasing only some of the stocks.

Another issue is cost. There is little sense in paying a sales charge, or load, for an index fund and as the main advantage of index funds is their cost, investors should try to find the funds with the lowest expense ratios. Vanguard has a microscopic expense ratio of 0.2 percent. In Britain, however, Virgin UK Index Tracker gets away with *annual fees of 1 percent, still lower than* the normal expense ratio of 2.5 percent for most mutual funds.

Another factor to consider is that in bear markets an index tends to perform worse than an active manager, who can bail at least out of the market.

For further information, call:

- VANGUARD 500 INDEX, 1 213 787 0226
- BARCLAYS GLOBAL INVESTORS, 44 171 522 4040

Beating the Index? *Enhanced-index mutual funds vs. the S&P 500 index*

Fund	Time period	Fund: Compound annual return, %	Fund: Annualized standard deviation, %	Fund: Annualized alpha, %, with t-stat	Fund: Sharpe ratio	S&P 500 Index: Compound annual return, %	S&P 500 Index: Annualized standard deviation, %	S&P 500 Index: Sharpe ratio
American Century Equity Growth	Jan '91-Jun '97	17.70	12.26	0.86 (0.61)	1.12	17.48	12.29	1.10
American Century Income and Growth	Jan '91-Jun '97	20.30	12.19	1.41 (1.44)	1.33	19.55	12.33	1.24
Dean Witter Value-Added Market Equity	Dec '87-Jun '97	14.74	14.20	-3.01 (-2.05)	0.70	18.53	13.96	0.98
Fidelity Disciplined Equity	Jan '89-Jun '97	18.51	14.77	0.90 (0.55)	0.94	17.94	14.06	0.94
PIMCo Enhanced Equity Institutional	Mar '91-Jun '97	15.63	12.06	-1.92 (-2.35)	0.96	18.00	12.16	1.15
PIMCo StocksPlus Institutional	Jul '93-Jun '97	22.22	12.34	0.91 (1.42)	1.46	20.94	12.00	1.39
RWB/WPG U.S. Large Stock	Jul '92-Jun '97	18.38	11.25	-1.05 (-0.64)	1.25	21.32	12.14	1.41
SSgA Matrix Equity	Jul '92-Jun '97	18.54	11.76	-0.21 (-0.13)	1.24	19.04	11.23	1.34
Smith Breeden *Equity Plus*	Jul '92-Jun '97	21.26	11.39	1.45 (2.13)	1.52	19.73	11.27	1.40
Vanguard Growth & Income	Jan '87-Jun '97	16.37	17.05	-0.24 (-0 49)	0.70	16.56	16.80	0.72

Source: Ibbotson Associates — International Herald Tribune

From Creative Managers, Index Formulas That Promise Extra Punch

A NEW TYPE of fund that promises the same consistent returns of a market index but with some extra performance is piggy-backing on the recent popularity of index funds. Investors, however, should beware. While some of these funds have achieved fabulous enhanced-index returns, the vast majority have underperformed.

Investors, nevertheless, find it difficult to resist the enhanced-index message, and a look at Smith Breeden's Equity Plus fund shows why. Over five years, it is ranked 20th out of 224 American growth-and-income funds, with a return of 178 percent, according to Morningstar, the fund-tracking firm in Chicago. Far behind was the Vanguard S&P 500 Index fund, which rose 158 percent but was still comfortably ahead of most fund managers, in 48th position.

John Sprow, manager of Equity Plus, uses an innovative investment strategy involving futures and mortgage-backed securities. He said there was no reason why his fund should not continue to beat the index. His fear is that other enhanced index funds give the sector a bad name.

"Unfortunately, most enhanced index funds are neither enhanced nor indexed," he said. "The majority tend to underperform."

Mark Riepe, an analyst at Ibbotson Associates in Chicago, agreed.

"When we started looking into it, we expected that most of the funds would outperform the index," he said. "The question in our minds was the amount of risk they were taking to do this. Instead, we found that most of them underperformed."

Of the 10 enhanced index funds with more than a three-year track record in the Ibbotson study, only three managed to beat the S&P 500.

Dean Witter's Value Added Market Equity was the worst-performing fund in the survey. Since its debut in December 1987, Value Added has an annual compound return of 14.74 percent, while the S&P gained 18.53 percent.

The explanation for the diversity in performance is that each fund uses a different technique in its quest to outperform the index. A common technique involves keeping the same proportions of the various industries as the S&P 500 but trying to pick the best stocks in each sector.

Dean Witter, however, has another approach. It hopes to beat the index by giving an equal weighting to each stock in the S&P gauge, rather than allowing big-capital stocks more influence, as the index does, on the assumption that smaller stocks will eventually outperform larger ones. Unfortunately, this strategy has been sabotaged by the recent outperformance of the big stocks.

Smith Breeden's Equity Plus fund, on the other hand, uses a futures-related strategy to mimic the S&P index, putting only part of its investments to work this way. To achieve its outperformance, it invests the rest of its cash in mortgage-backed securities.

PIMCo's Enhanced Equity Institutional fund, another top performer, also uses a futures strategy but invests the spare cash in traditional bonds.

A fund that has attracted attention this year is the Analytic Enhanced Equity fund, managed by Analytic TSA Global Asset Management. It has outperformed the S&P by about 8 percent since its inception on Jan. 10. It does it by following the principles of the super-stock concept pioneered by Bob Haugen.

Computers screen all companies in the S&P 500 for 70 characteristics and compile a portfolio of 80 stocks. The portfolio has the characteristics of the index but with enhanced qualities.

The stocks it comes up with so far tend to be blue chips, such as Coca-Cola Co. and General Electric Co.

"When people look at our portfolio, they can't believe it," said Harin de Silva, who manages the fund and worked with Mr. Haugen at the Graduate School of Management of the University of California, Irvine. "They don't see a good story; it looks pretty boring. However, our model has a tracking error close to the S&P and should deliver 2-3 percent outperformance a year." — IAIN JENKINS

For further information, call:

- ANALYTIC TSA GLOBAL ASSET MANAGEMENT, 1 213 787 9726
- SMITH BREEDEN, 1 303 440 5151
- PIMCO 1 714 640 3031 In the United States, individual investors can call, toll-free 1 800 426 0107, and institutional investors can call 1 800 927 4648

In U.S., Market Is Key to Mood Shift

By Louis Uchitelle

TWICE IN the 1990s, the U.S. economy has produced nearly identical periods of booming growth. Yet the experts looked at what was happening and saw in the first surge, in 1994, the makings of a disaster and in the second, this year, nirvana.

A big reason for the shift to optimism from pessimism appears to be the stock market. Sustaining the Dow Jones industrial average at record levels is gradually becoming as much a priority among investors as fighting inflation.

And for the Dow average to keep rising seems to require a leap of faith that the economy will continue along its present prosperous course, unhindered by a rising inflation rate, or even the threat that this might happen.

"The stock market is coloring every decision," *said Peter Bernstein*, an economist and consultant. "It is no longer the consequence of confidence but the cause of it. It now extends way beyond itself in its influence, pushing into the background concerns about inflation."

The purveyors of the new optimism are the economists, executives, stock and bond traders, and the mutual- and pension-fund managers who, in their constant forecasts and pronouncements, shape the public perception of the national economy.

Most take their cue from Alan Greenspan, chairman of the Federal Reserve Board. And in sharp contrast to the growth surge three years ago, Mr. Greenspan seems to have given his O.K. for this one to continue.

The Fed's announcement on Tuesday that interest rates would remain unchanged was the latest reaffirmation of this O.K.. In the new dynamic, raising interest rates to slow the economy and keep inflation in check would almost certainly provoke a sharp decline in stock prices, and falling stock prices would in turn discourage spending and investment far more than in the recent past.

With the Dow average up nearly 24 percent this year, rising stock prices have become for millions of Americans a powerful source of confidence, wealth and spending, sustaining the economy.

"We have a *huge vested interest in* keeping stock prices up," said Albert Wojnilower, senior economic adviser to Clipper Group, a Wall Street firm. "Millions of people who have put their money into stocks want to be optimistic, and corporations have invested on the basis of their optimism. It won't change unless we get slapped in the face with evidence of rising inflation."

The shift in attitudes — from pessimism to optimism, from expectations of rising inflation and a weakening economy to a growing confidence that neither will happen — shows up in striking fashion in a comparison of the two nearly identical growth periods, each covering nine months.

The first, starting in October 1993, produced an average growth rate of 4.3 percent, which is quite powerful. During the second surge in growth, beginning last October and running through June of this year, the gross domestic product rose by an average of 4.2 percent, according to final data for the period, released last week.

The inflation rate also behaved in strikingly similar fashion in each period. It averaged 2.7 percent in 1993-94 and 2.4 percent in 1996-97. More important, the inflation rate fell during both periods.

But while low inflation is taken as a given in the optimism of 1997, that was not the case three years ago. Although inflation was edging down, the expectation then was that strong economic growth would inevitably generate a destructive rise in the inflation rate.

"We all thought then that inflation must follow excessively strong growth," said Bruce Steinberg, chief economist at Merrill Lynch.

"That same view would resurrect itself now in a second, of course, if Mr. Greenspan were to say that he was *worried on this count. But he does not* say that."

The unemployment rate also fell during both periods, although it was higher in 1993-94, averaging 6.5 percent, than in the most recent nine months, when the average was down to 5.2 percent.

There is irony in this difference. With fear of inflation the dominant concern three years ago, there was much speculation that falling unemployment would soon result in labor shortages, rising wages and accelerating inflation as companies raised prices to pay the higher labor bills. An unemployment rate of just over 6 percent was thought to be the flash point.

Indeed, such thinking was a big factor in the Fed's decision to slow the economy and dilute the demand for labor by raising interest rates to 6 percent from 3 percent, starting in February 1994. Today, the unemployment rate is more than a percentage point below the 1993-94 level, but the unemployment-inflation tradeoff is hardly discussed.

New York Times Service

James Glassman, whose column regularly appears in The Money Report, is on vacation this week.

The Argument for Indexing

Fund	Year-to-date return	Rank out of 661	1-year return	Rank out of 635	3-year return	Rank out of 443	5-year return	Rank out of 252	10-year return	Rank out of 127
Large Blend										
Vanguard 500 Index	[illegible]	133	[illegible]	116	[illegible]	32	[illegible]	42	[illegible]	22
Top- and bottom-performing funds by 3-year returns										
Rydex Nova	[illegible]	2	[illegible]	3	[illegible]	1	N/A		N/A	
Rydex Ursa	[illegible]	661	[illegible]	635	[illegible]	443	N/A		N/A	
Large-Blend average	[illegible]		[illegible]		[illegible]		[illegible]		[illegible]	

Source: Morningstar — International Herald Tribune

BRIEFCASE

For Some, Shine Is Off Italy Market

Italian stocks and especially bonds have been darlings of the investing public this year, rising with the faith in Italy's ability to make it into the first round of European economic and monetary union. Some of the biggest gains have been in shares of banks, several of which have doubled in value in a matter of months.

Now, analysts at two investment banks suggest, it may be time to take the money and run.

"Despite the companies' efforts, we see only moderate prospects for improved returns from the Italian banking industry," analysts at Lehman Brothers wrote to clients.

The huge run-up in banks' share prices is the result of improving profitability as interest rates fall and economic strength helps to wipe away their customers' bad debts. The analysts, Robert Law and Sheila Garrard, warn that this may be as good as life gets for the banking sector and that it may not be good enough to justify current share prices.

"Even fully discounting recovery in profitability, we believe the banks are capable of sustaining returns on equity of between 9 percent and 15 percent and that this would give investors average returns of 9 percent," they said.

In other words, not much more than Italian investors can get in short-term cash deposits, but at much greater risk.

"We therefore argue that valuations fully reflect recovery and would be exposed if recovery is delayed," they added. What could delay recovery? According to analysts at Credit Suisse First Boston, a further fall in interest rates.

"Commercial banks' lending margins might narrow sharply if short-term rates collapse, as has been the case in this easing cycle so far," they said. "A too-rapid fall in interest rates could put pressure on domestic banks' balance sheets as deposit rates fall slower than lending rates."

This can be the case in a competitive banking sector anxious to keep customers happy. The spread between the rates at which banks make loans and the rates they pay depositors has shrunk to 0.8 percentage point from double that amount two years ago.

John Leonard, an analyst at Salomon Brothers Inc., reiterated his buy recommendation for one bank, San Paolo, despite cutting his 1997 earnings estimate by 7 percent after the bank reported "disappointing first-half results." *(IHT)*

Foreigners' Guide To Russia Equities

Russia's stock market and Russian equity funds are booming, but the activities and investability of its publicly listed companies often seem inscrutable to foreign investors. To throw some light on the situation, Brunswick Brokerage, *a unit of the* independent Moscow-based investment house, has compiled a Russian Equity Guide.

The guide offers profiles of 90 of Russia's largest and most actively traded companies, ranging from Lukoil, the giant oil and gas producer, to GUM, whose huge Moscow department store is familiar to Russians and tourists alike.

هكذا من الأصل

THE MONEY REPORT

Even Stocks Can't Beat U.S. Real Estate Funds

REITs Also Open to Foreign Investors

By Judith Rehak

EVERYBODY KNOWS that the U.S. stock market has been soaring for the past three years, but last year you could have done better in real estate mutual funds, which are easily available to non-American investors.

Riding the crest of the recovery in American real estate from its sharp downturn in the early 1990s, property funds investing in the United States produced a stellar 31.12 percent return on average, beating the S&P 500 by a hefty 8.17 percentage points according to Morningstar, the Chicago-based mutual-fund tracking company.

Offshore property funds specializing in U.S. real estate have been reflecting the buoyant American market, as well. Although their returns have not been quite as bountiful this year — the average offshore vehicle was up 15.6 percent as of Sept. 23 — sponsors of these funds contend that the market is still healthy, and even better, a defensive play for skittish investors who want a stake in the United States but are worried about the high prices in the stock market.

"What we have now is the real estate market continuing to chug along at returns of 9 to 13 percent annually," said Russell Platt, manager of Morgan Stanley's $200 million offshore real estate fund. "We expect it to stay in that sweet spot until there is real overbuilding. New construction is beginning again, but it is still far from the level of a softening market."

U.S. property mutual funds buy mostly real estate investment trusts, or REITs, which are publicly listed companies that own properties ranging from hotels and apartments to industrial parks and office buildings. There are about 200 listed REITs, and selecting the most profitable is not on' a judgment call on their managemen. and balance sheet, but also on geography, local market conditions and property type.

Now, for example, fund managers favor the West Coast and the Northeast, which have been the last regions to recover from the real estate bust, and thus have the most growth ahead. In terms of properties, offices and high-end hotels are preferred.

"We have about 35 percent of our portfolio in office properties, because they have been the most depressed part of the market," said Daniel Pine, who runs the Alliance Real Estate Fund. His enthusiasm stems from a surge in office jobs in the service sector.

Among his top holdings are Crescent Real Estate Equities Co., run by the billionaire investor Richard Rainwater, with about two-thirds of its holdings in offices, and Beacon Properties Corp., which is focused on downtown office space in Boston, where rents are rising and there is little new construction.

Consolidation in REITs is another current theme. Two weeks ago, Sam Zell, chief of Equity Office Properties Trust, the biggest REIT in the country, agreed to buy Beacon for $3 billion in stock.

Another top office pick for real estate fund managers is Boston Properties, with buildings in strong markets such as Boston, New York and Washington.

Barbara Rubin, who manages the Luxembourg-domiciled American Phoenix Real Estate Fund, bought the REIT at its initial offering price of $25 in June. It is now trading at about $33, and she likes its prospects, noting that its founder, Mortimer Zuckerman, has 30 years of experience in the business. "They've had a good run and they're buying more properties," she said.

Upscale hotel REITs are also popular with these funds, especially those operating in New York, Boston and San Francisco, where construction has ground to a halt, and tourists and business travelers are filling hotel rooms to capacity. Still, managers are picky.

"I don't like them below full-service hotels, where they are approaching the overbuilding stage," said David O'Connor, co-manager of the offshore Performa Real Estate Securities fund.

Among his favorites are Starwood Lodging Trust, which announced a $1.57 billion deal last month to acquire Westin Hotels & Resorts, creating the world's third-largest hotel company.

"They've also purchased properties from distressed sellers, such as the Doral Hotel in New York City, where rooms are renting for $100 a night, well below the New York City rate," said Mr. O'Connor. "They're just beginning to reinvest in that project, and their portfolio has a tremendous amount of room for appreciation."

With some REITs looking a little pricey right now, Mr. Platt, whose top-performing Morgan Stanley fund is up about 19 percent this year is concentrating on value plays.

One overlooked company, in his opinion, is CarrAmerica Realty Corp., a nationwide office developer that has not participated in the strong office recovery because it builds, rather than buys office buildings, creating a temporary short-term drag on its earnings.

He also owns Brookfield Properties, a Toronto-listed stock whose biggest asset is a 70 percent stake in the World Financial Center in New York. "We think the Manhattan office market is turning around," said Mr. Platt, who is also doing some selective bottom fishing in the hard-hit retail sector.

There are some niche plays in overbuilt sectors, such as apartment REITs. Ms. Rubin has singled out Bay Apartment Communities. "They're in San Francisco, where there is very limited new construction, and continuing strong demographics, and they have strong management."

Although these offshore funds are directed to non-American investors, they still have to contend with the U.S. Internal Revenue Service, which withholds a 30 percent chunk of their dividends. To compensate for this, offshore real estate funds are structured differently from their American counterparts, generally reinvesting a portion or, in some cases, all of their dividends to convert current income into capital gains, which are taxed at lower rates.

Some funds also buy convertible bonds issued by REITs, which perform much like equities, and produce interest, which is not subject to U.S. withholding.

In the case of Alliance, Phoenix and Morgan Stanley, American investors can buy these funds in their U.S. versions as well, managed under the same strategy by the same individuals — and without the withholding hassles.

For further information, call:

- Alliance Real Estate Fund. Offshore investors, 352 227 723 American investors, 1 201 319 4000, or, toll-free within the United States 1 800 247 4154.
- American Phoenix U.S. Real Estate Fund. Offshore investors, 352 40 464 6211 American investors, 1 303 253 1000, or 1 860 403 1000.
- Morgan Stanley U.S. Real Estate Fund. Offshore investors, 352 25 470 1511. American investors, 1 617 557 8000, or, toll-free within the United States, 1 800 548 7786.
- Performa Real Estate Securities, 41 75 233 2748.

More Ways to Put the World in Your Portfolio

By Andrew Rosenbaum

INVESTORS LOOKING for the *safest way into stock markets in* foreign countries have traditionally had only a few options. But the choices are becoming more numerous, making it more of a buyer's market, if you know what to choose.

The traditional vehicle for investing in another country's stock market has been the closed-end mutual fund. Lately, however, open-ended funds have joined the fray, and they have been followed by more exotic index-linked products.

Until recently, if you wanted to invest in a single country without actually picking and buying individual stocks, your best bet was a closed-end country fund. These have a fixed number of shares outstanding and are traded just like stocks on exchanges or over the counter. They are denominated in the currency of the country in which they trade rather than the country in which they invest.

Because of this structure, the value the stock market places on a closed-end fund may be higher, or, more often, lower than the value of the securities that the fund holds.

Sometimes this discount to the net-asset value can be advantageous. If a fund grows in popularity because the stock market of the country in which it invests is doing well, then the discount could dwindle as net-asset value rises. In such a case, the shares of the closed-end fund would rise faster than the value of its portfolio.

Among closed-end country funds trading in the United States, discounts currently range from about 12 percent to 20 percent.

A speculative tactic is to look for funds with deep discounts. Because a closed-end fund's structure is similar to that of a regular company, the funds are subject to hostile takeover bids, which could result in their portfolios being sold off and the proceeds split among investors.

In other cases, the fund's directors will vote to change to open-end status, which allows investors to sell shares back to the fund at the net-asset value.

But there are significant disadvantages to closed-end funds. One reason why most funds trade at a discount to their net-asset values is that in a panic, the managers are not obliged to liquidate their investments to meet redemptions, as would be the case with an open-ended fund. In the long term, this may be a good thing if the country's economy rebounds, but investors who need their cash quickly must accept whatever price the stock market puts on their shares.

Closed-end funds trade on many international markets, with London being a particularly popular venue.

Recently, many fund companies have started offering single-country open-end funds. These have the attraction of being easier to redeem than the closed-end funds and they avoid the complex question of net-asset value: The price of the fund simply reflects the price of the securities it holds.

But there are risks here, too. Mark Mobius, head of the emerging-markets division of the Franklin/Templeton Group of funds, said that most emerging markets had too few investment-grade stocks for these funds to be attractive.

INDEX INVESTING

That leaves the funds vulnerable in a falling market, because the fund manager, obliged to redeem shares, will have to sell the most liquid stocks in order to pay the redemptions. That hurts the remaining shareholders, who are left holding the less-liquid, and possibly less-lucrative, shares.

Even good times, when more investors want to get in, can hurt open-ended funds, because the managers may be hard-pressed to find a high-quality, liquid stock in which to invest.

WEBS can protect investors from the vagaries of mutual funds and their managers.

This problem, analysts say, is particularly severe in emerging markets, many of which place ceilings on how big a stake foreign investors can own in a company.

Mr. Mobius and the naysayers have a point. In emerging markets, at least, open-end funds have performed worse than closed-end funds over the past year, according to Micropal Ltd., which tracks mutual-fund performance.

A new way of investing in a specific country's market is via World Equity Benchmark Shares, known as WEBS.

Unlike mutual funds that try to beat the market performance, WEBS seek to try to match the performance of the market indexes. Proponents say this offers a relatively low-cost, passive way of investing in a portfolio of equities in a single country.

These no-load funds are available mainly for the West European markets, although there are others for the more-developed emerging markets, including Hong Kong, Malaysia, Mexico and Singapore.

Each WEBS or country basket holds the dominant stocks in a particular market index to replicate returns in that nation. There are 17 WEBS portfolios from which to choose: 10 in Europe, four in Asia and one each in Australia, Canada and Mexico.

WEBS can protect investors from the vagaries of mutual funds and their managers, but they leave one open to the sometimes brutal volatility of international markets. Those investors who were seeking to mirror the performance of the Malaysian market this year, for instance, would have seen the dollar value of their WEBS tumble by about half.

Fund managers themselves caution that they take a "passive" approach to investing — they seek merely to ape the returns of the Morgan Stanley Capital International indexes, not outrun them.

In addition, the WEBS prospectus cautions that there is no hedge against currency fluctuations — a caveat that can make that decline in Kuala Lumpur stocks all the harder to bear for investors in other countries.

Like mutual funds, WEBS charge management and other fees that investors do not face with stocks, but this drawback can be more than offset by savings in brokerage fees.

Still, for those seeking to make a relatively low-cost bet on developed markets in Europe, Japan or Australia, WEBS may be the vehicle of choice. After all, the performance of the closed- and open-end country funds is dependent on the stock-picking and trading skill of the individual fund manager. If you believe, for instance, that Tokyo is ripe for a comeback, WEBS may be for you.

Of course, the creation of the European single currency will offer even greater security for countries that participate. With the standard European currencies fluctuating less, and the single currency, the euro, held up by the central banks of all the countries involved, betting on Italy, for example, will be a lot less risky.

But WEBS are clearly for the investor who understands the workings of foreign economies.

Investors who are not sure about why unemployment is rising in Germany, or who do not understand the financial problems that the Japanese have been facing, it is best to stick with a broader-based fund that will be independent of a national economy.

The American Stock Exchange is making a cottage industry of index-linked investments, and it has several international products listed. Among them are Eurotop 100, Hong-Kong Options, a Japan index and a Mexico index.

Two call warrants are available on the Amex, one linked to the Hong Kong 30 index and another for the Japan index. There is also a product called the Nikkei note, which is much like a bond and is linked to the Japan index.

Still another opportunity for investors to gain access to international markets is offered by an unusual product created by Merrill Lynch & Co., called market-index target-term securities, or MITTS. Introduced five years ago, these securities basically have a guarantee against loss — the initial investment is returned in full, sometimes with interest — and investors can do even better if the index on which a given product is based has a *big gain over the life of the MITTS.* These instruments are traded through brokers until they mature.

A new MITTS that is linked to a group of international exchanges — Amsterdam, London, Madrid, Milan, Paris and Stockholm in Europe, as well as Australia and Hong Kong — is being registered. Another MITTS is linked to the Amex's Japan index and another is linked to another European index.

Although most of these investments are issued by Merrill Lynch, similar products are offered by other firms. Salomon Brothers Inc., for example, has a MITTS-like security due in 2002 that pays the increase in the Japanese Nikkei index plus a 42 percent bonus.

Another product dedicated to the international investor is the global annuity. Delta Life Corp., an insurance company based in Memphis, Tennessee, last year created an annuity called Index Advantage International, which links its earnings to an index derived from indexes in Britain, France, Germany, Japan and Switzerland.

The product provides a minimum earnings rate, which may please those who love international markets but hate the notion of risk.

For further information:

- THE AMERICAN STOCK EXCHANGE lists several international index-linked products. Visit its Web site at www.amex.com, then look under Options & Derivatives and SPDRs & WEBS.
- DELTA LIFE's products are sold through agents, but investors can call 1 901 683 1222 for information.
- THOMAS J. HERZFELD ADVISORS sells an "Encyclopedia of Closed-End Funds," with information about 480 closed-end funds, many of which are country funds. It costs $135. To order, contact the company at P.O. Box 161465, Miami, Florida, 33116; telephone, 1 305 271 1900, fax 1 305 270 1040.
- THE INTERNET CLOSED-END INVESTOR SITE lists and evaluates all major international closed-end funds. It can be consulted at www.icefi.com
- WEBS ON THE WEB is an Internet site devoted to following and evaluating the performance of these products. It can be visited at http://websontheweb.com.

A View of Funds' Future: More Money, Lower Costs

By Carole Gould

LOWER COSTS for investors. Fewer fund groups. And more money invested. That's what today's fund-group leaders envision for the mutual-fund industry at the end of the century.

The findings were part of a study conducted over the last two years by Marcia Selz, president and chief executive of Marketing Matrix, a research firm in Los Angeles that specializes in the financial-services industry. Ms. Selz talked to 59 executives of fund groups about their industry.

The consensus was that fund costs would be much lower overall because of increased competition among fund groups. The executives expect lower annual expenses and smaller management fees, as well as fewer and lower initial sales charges, or front-end loads.

Investors may also help push down fees.

"Educated, smarter investors make us watch our prices and fees," one fund leader told Ms. Selz.

A study released last week by Lipper Analytical Services in Summit, New Jersey, concluded that the fund industry did not now enjoy the economies of scale that would allow fund companies to lower fees charged to investors as assets grow.

Nonetheless, Ms. Selz said, "If competitive pressures continue as they have been, mutual fund leaders will find ways to develop economies of scale."

Nearly all the respondents to her study said financial advisers would work on a fee basis by 2005, instead of a transaction basis, creating a more service-oriented business. Advisers will be rewarded for continuing money-management performance, rather than for sales alone.

And while investors will allocate a bigger percentage of their investment assets to funds, the industry itself will experience consolidation, executives said. But they disagreed on how the consolidation would occur.

Some said smaller companies would be swallowed by larger ones; others said the Internet would build the market for small groups by giving them direct access to investors, leaving the midsized fund families to consolidate into the larger groups.

■ Personalized Updates On-Line

The Mutual Fund Channel, a new Internet service, will deliver personalized daily updates on fund performance to subscribers' computers.

After telling the service how many shares they own, investors can receive price and value information on up to 20 of their funds. They can also get historical data, profiles, market analysis and news. Data are available on more than 5,800 funds. The performance and ranking data are from Lipper Analytical Services.

Free software to receive this information will be available to subscribers at the Mutual Fund Channel's site on the World Wide Web (www.mutualfundchannel.com) starting Tuesday and through Back Web Technologies channels (www.backweb.com).

The New York Times.

Each profile includes descriptions of the company's activities, a three- to four-year financial history, and a "plans/prospects" section.

For investors reluctant to brave the Moscow Stock Exchange, the guide lists 17 companies that have issued depositary receipts, shares that trade on exchanges and over the counter in London and New York, and 12 more that plan to issue them. *(IHT)*

- THE GUIDE is available from Principal Communications in New York, telephone 1 212 303 7611, fax 1 212 303 7660.

Deutsche Bank Starts 9 U.S. Funds

Deutsche Bank AG has joined the parade of European money managers entering the American mutual fund market with the introduction last week of nine funds for individual investors.

Eight of the funds are similar to existing vehicles offered in Europe, and run by the same portfolio managers of the DWS Group, Deutsche Bank's asset management subsidiary. Of these, three are equity funds targeting German, Japanese and European mid-cap companies.

"European mid-caps are a very interesting sector that will be a beneficiary of European Union consolidation, and this is the only such fund offered in the United States," said Christian Strenger, chief executive of DWS.

The mid-cap fund is one of two that the U.S. Securities & Exchange Commission is allowing to advertise the past performance of its European counterpart for the U.S. market. Its average annual return in dollars for the past three years to the end of June 1997 has been 15.58 percent, with the sales load.

Other funds include Top 50 series offerings, whose managers will cherry-pick the top 50 companies in Europe, the United States and Asia, and a Top 50 worldwide fund. These companies will not necessarily be chosen by size of market capitalization, said Mr. Strenger, but will focus on quality and market share. Rounding out the fund family are two fixed-income vehicles, the Deutsche Global Bond fund, and the Deutsche European Bond Fund.

The funds will have a minimum initial investment of $5,000, and will be sold with front- or back-end loads, to the bank's private banking clients in the United States, and through U.S. brokerages. *(IHT)*

OCRA WORLD WIDE
THE WORLD'S LEADING OFFSHORE COMPANY SPECIALISTS
Since 1975 our worldwide team of over 275 multi-disciplined professionals have specialised in providing confidential and cost effective company formation in the world's major low tax areas.
For Immediate Service & our 178 Page Colour Brochure Contact:
ISLE OF MAN - B MONK BAcc CA
OVERSEAS COMPANY REGISTRATION AGENTS LTD
Companies House, Tower Street Ramsey, Isle of Man, British Isles, IM99 4AN
E-mail: ira@ocra.com
TEL: + 44 1624 815544
FAX: + 44 1624 817078
MAURITIUS - REZA JANGEERKHAN LLB, MBA
Happy World House, Sir William Newton Street, Port Louis, Mauritius
TEL: +230 211 5100 FAX: +230 211 5400
SEYCHELLES - DEBRA AKATSA
303 Aarti Chambers, Mont Fleuri, PO Box 963, Mahe, Seychelles
TEL: +248 225555 FAX: +248 225999
HONG KONG - BART DEKIKER, LLM
2402, Bank of America Tower, 12 Harcourt Rd, Hong Kong
TEL: +852 2522 0172 FAX: +852 2521 1190
Offices in Singapore, Virgin South Africa, Poland, Czech Republic, Russia and Ukraine
ALL MAJOR CREDIT CARDS ACCEPTED
ISO9002 CERTIFICATED
www.ocra.com

Managing Money In All Climates

SHOREX 97

THE PREMIER OFFSHORE EXHIBITION

2-4 DECEMBER 1997
BUSINESS DESIGN CENTRE
LONDON

SHOREX 97 is the ultimate networking event for offshore professionals. During the three days of the exhibition and conference, Shorex 97 brings together offshore service providers, intermediaries and clients to share the best in offshore professional services and offshore finance. If you are a lawyer, accountant, private banker, trust manager or intermediary involved in the offshore industry, or simply an investor, and would like to know more about the event, either detach this slip and send it to:

SHOREX Ltd., 4 Heathgate Place, Agincourt Road, London NW3 2NU, UK OR tel: +44 171 482 1000 OR fax: +44 171 482 1100 OR email:info@shorex.com (http://www.shorex.com).

(Please tick) I am interested in:

attending the conference ☐ visiting the exhibition ☐ exhibiting ☐

please send me more information.

Contact Name: .....

Company: .....

Job Title: .....

Tel: ..... Fax: .....

Address: .....

PR Sponsor

Legal Sponsor
NABARRO NATHANSON

Media Sponsor
Herald Tribune

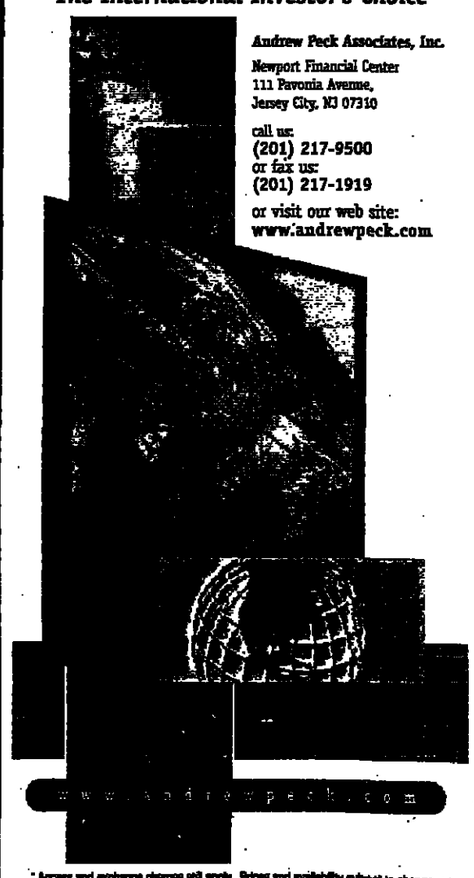
Introducing
Andrew Peck Online

A better, faster, more affordable way for you to trade stock.

Andrew Peck Associates, a leader in international discount brokerage since 1979, is pleased to introduce a revolutionary new way for you to access market information and execute trades wherever you are 24 hours a day. Andrew Peck Online is the easy and affordable way to access information including reports on any listed stocks, Nasdaq securities and options. Real-time quotes and tick-by-tick updates are available via PC, and the Web. And Andrew Peck Online gives you a quick efficient way to trade over the Internet. Andrew Peck Online is the kind of added value service you expect from one of the world's leading discount brokers.

Call today and you can try Andrew Peck Online risk-free for the first month. If you're not completely satisfied, your monthly fee will be refunded.

The International Investor's Choice



Andrew Peck Associates, Inc.
Newport Financial Center
111 Pavonia Avenue,
Jersey City, NJ 07310
call us:
(201) 217-9500
or fax us:
(201) 217-1919
or visit our web site:
www.andrewpeck.com

* Access and exchange charges still apply. Prices and availability subject to change. Use of Andrew Peck Online requires a major credit card and is conditioned upon acceptance of terms of service prior to enrollment.

Accounts protected up to $50 million. Members NASD & SIPC

هكذا من الأصل

Herald Tribune
SPORTS

WORLD ROUNDUP

Swiss Will Appeal

SOCCER The Swiss champion Sion said Friday that it would appeal a decision by European soccer's governing body that its first-round, second-leg match in the UEFA Cup be replayed.

In an unprecedented ruling, UEFA ordered Sion and Spartak Moscow to replay the return leg, which ended in a 2-2 draw and controversy, with the Swiss club arguing that the goals were too small.

UEFA's Control and Disciplinary Committee said Tuesday's match would be annulled, although the result of the first leg in Switzerland, which Spartak won, 1-0, would stand. But Sion maintained that it was not interested in a rematch and continued to demand that it be awarded a 3-0 victory and advance to the next round. *(Reuters)*

Langer in the Lead

GOLF Bernhard Langer shot a 3-under-par 69 on Friday in the second round of the German Masters to hold a one-shot lead over Jose Maria Olazabal of Spain and Thomas Goegele of Germany.

Langer, trying to win his third German Masters, shot 68 on Thursday for a two-round total of 7-under 137. The German would have been even further ahead, but he took a double-bogey six on the final hole. *(AP)*

AP

Wayne Gretzke could earn up to $10 million per NHL season.

Payday for the Great One

HOCKEY The New York Rangers have given Wayne Gretzky a raise and a contract extension. Gretzky, who was to earn $3.97 million this season, will instead get a guaranteed $7 million and a guaranteed $5.5 million next season. Individual and team performance bonuses could raise his wages to $10 million each season. *(NYT)*

Anger in Australia

ATHLETICS Australia's sporting community united Friday against the appointment of a former East German, Ekkart Arbeit, as the national athletics coach because of that country's past links to a program of systemized doping. A former Australian Olympic sprinter, Raelene Boyle, said: "It's almost a step of acknowledging that drugs in sport are here to stay, so we might as well have a coach who understands that culture." *(Reuters)*

Arc de Triomphe Sunday

HORSE RACING Helissio will be looking for a repeat in Sunday's Arc de Triomphe, Europe's most prestigious horse race. *(AP)*

Now, the Pressure's on the Yankees

By Jack Curry
New York Times Service

NEW YORK — The division series between the New York Yankees and the Cleveland Indians is a serious series again. Very serious.

On Thursday night, the Yankees wanted to ride Andy Pettitte's arm and their momentum from winning the thrilling opener to flatten the wobbly Indians and set up a brief, yet enjoyable, weekend for themselves in Cleveland. It never materialized.

Instead, Pettitte and the Yankees mishandled a lead, mishandled one routine play that should haunt them and were handled by a 21-year-old pitcher who was in danger of being removed from the game in the first inning.

But Jaret Wright hung on by his cuticles during a dicey first and wound up outpitching Pettitte as the Indians rolled to a 7-5 victory and tied the three-of-five series at one game apiece.

So the Yankees should not make any plans for a rematch with the Orioles in the American League Championship Series just yet. The Indians are definitely alive after bouncing New York's premier starter after five innings. And the Yanks should be cursing themselves for enabling a team that was stumbling and on the brink of extinction to experience a rapid revival.

If Pettitte was crisper, if Chad Curtis did not misplay a liner and if Wright did not turn from wrong to right after the first inning, the Yankees would have been able to breeze into Jacobs Field needing just one victory in three games to take the series. They would have felt confident. Now they should feel cautious, with David Wells scheduled to pitch Game 3 Saturday and David Cone's status for Game 4 growing more and more tenuous.

After Wright left, the Yankees had a last gasp against a shaky Cleveland bullpen in the eighth. Jose Mesa hit pinch-hitter Mike Stanley on the left elbow with the bases loaded to force in the fourth run, but he rallied to get pinch-hitter Wade Boggs on an infield pop out and Tim Raines on a tapper to squash the threat.

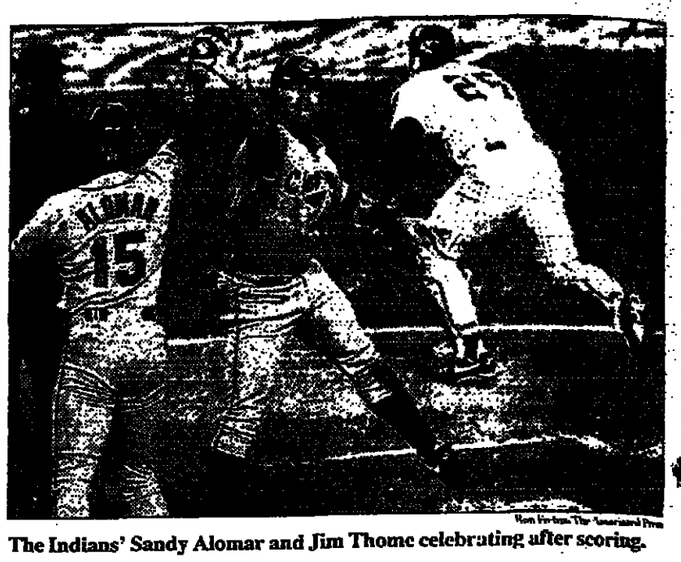
Pettitte was supposed to be the savvy pitcher who would lead the Yankees to an almost-insurmountable 2-0 edge in the best-of-five series, especially after Wright started off by walking three batters in the first and all of them scored.

Wright showed incredible resolve in not wilting in the Bronx and the Indians showed some spunk by not succumbing to Pettitte. After three tame innings, Cleveland scored five runs in the fourth and two in the fifth on Matt Williams's towering homer to corral a 7-3 cushion and end Pettitte's night.

Cleveland's fourth inning began with a Charlie Hayes error and was highlighted by Curtis's error in judgment. With the score tied, 3-3, two out and runners on first and second, Curtis froze on Tony Fernandez's apparently catchable line drive to left. It is the worst thing an outfielder can do on a ball hit at him. It is the worst thing Curtis could have done because he is in the lineup for dependable defense.

By the time Curtis backtracked and tried to recover, both he and the Yankees were doomed. The ball landed at least 15 feet (4.5 meters) behind him in front of the warning track and the double scored Sandy Alomar Jr. from second and Jim Thome from first. Suddenly, the Indians had a 5-3 lead. Suddenly, the series had changed. For once, Yankee manager Joe Torre's lineup decisions had backfired.

Meanwhile, after David Cone tossed a few fastballs on Thursday, the Yankees offered the first subtle signs that their ace, who has tendinitis in his right shoulder, might not start Game 4. Dwight Gooden would be the replacement starter if the Yankees decide that Cone is unable to pitch.



Ron Frehm/The Associated Press

The Indians' Sandy Alomar and Jim Thome celebrating after scoring.

Mariners Down, and No Relief in Sight

Washington Post Service

Vantage Point/THOMAS BOSWELL

SEATTLE — When the Mariners' manager, Lou Piniella, waves toward the Seattle bullpen, the Kingdome throng begins to boo. Mariners fans may be within their rights to drop the roof on their relievers. But they have also demoralized their own team's weakest link so badly that Baltimore may soon waltz into the American League Championship Series.

The Orioles won Game 2 of the divisional playoff series, 9-3, because the Mariners' bullpen has been reduced to emotional mush. This is a pen that needs to be saved. Whether Sweet Lou summons Mike Timlin, Bobby Ayala, Norm Charlton or Paul Spoljaric, they are greeted like public malefactors.

If you pierce your eyebrow and dye your hair green, people love you here. But blow a save and you're a menace to society.

In less than 24 hours, these guys have driven nine-inch nails into the postseason dreams of the team with more homers than any in history. Twice the Seattle bullpen has arrived in midgame. And twice the Orioles have exploded immediately for laughably easy 9-3 victories.

"If our starters went seven or eight innings, we could eliminate the problem," Piniella said.

Never doubt that the Seattle crowd has been the Orioles' greatest friend in this series. The Mariners' bullpen has been a depressing saga all season. Now, the relievers are palpable scapegoats. Don't boo Randy Johnson for nibbling and pitching scared in Game 1. Don't nag the Mariners' Murderers Row for going 1 for 12 with men in scoring position.

Just crucify the relievers. That'll help 'em. Oh, it's spooky. The crowd boos. The reliever throws. And the first Oriole to take a swing at the new man drives a ball over the wall or off of it.

The first Oriole that Spoljaric faced on Wednesday hit a two-run double. In Game 2, the same thing happened. In Game 1, Timlin was greeted with a homer, then a double. Charlton's first pitch Thursday was crushed off the right field wall for an RBI double. Ayala actually got an out Thursday before walking the No. 9 hitter, then giving up a gopher ball to Brady Anderson.

For two days, every Mariners bullpen disaster has fed on itself until the whole Seattle team seems profoundly down in the dumps. Thirteen Orioles runs have crossed the plate during a mere 8⅓ innings pitched by relievers. What good is it to have the most glamorous heart of the order in baseball — Ken Griffey Jr., Edgar Martinez, Alex Rodriguez and Jay Buhner — if the bullpen has an ERA out of a slow-pitch softball league?

"They've beat the hell out of us twice," said Charlton, quivering with emotion. "But they haven't won three. It's not over yet."

"We've got as much talent in our bullpen as they do in theirs," said Spoljaric, exaggerating, but not by as much as you might think. "But some strange things have happened."

At the moment, the Mariners only have one advantage. It might be a big one. Now they can get away from their fans. If you can call them that. "We haven't pitched well enough to make the people in the stands happy. But fans are very fickle," said Charlton, with a measured menace worthy of a former Nasty Boy. "It's very frustrating for everybody down there in the bullpen. And for Lou. Nobody's happy about it."

If folks were any less happy, they'd have to call out the Washington National Guard.

Orioles in Cat Bird's Seat After 2d Rout in Seattle

By Mark Maske
Washington Post Service

SEATTLE — The Baltimore Orioles all but wrapped up their first-round playoff series by following precisely the blueprint to beat the dangerous but flawed Seattle Mariners.

They outlasted the starter, Jamie Moyer, on Thursday night and clobbered the Mariners' pitiable relief-pitching corps. They got good pitching of their own, beginning with their starter, Scott Erickson, and held Seattle's explosive offense in check on their way to a 9-3 victory over the Mariners before 59,309 at the Kingdome.

Matching the score of their Game 1 victory Wednesday night, the Orioles took a 2-0 lead in the best-of-five series. The Orioles can close out the series and advance to the American League Championship Series for a second year in a row Saturday, when they are scheduled to send Jimmy Key to the mound against fellow a left-hander. Jeff Fassero. at Oriole Park at Camden Yards.

Moyer and Erickson were locked in a pitchers' duel until Moyer strained his left elbow and exited the game with two outs and two runners on in the fifth inning. The Seattle manager, Lou Piniella, said Moyer would not pitch again in the series.

"I don't like to see that, but it seemed like it was the turning point of the game," the Orioles' first baseman, Rafael Palmeiro, said of Moyer's departure.

Paul Spoljaric replaced Moyer and promptly gave up a two-run double by Roberto Alomar that gave the Orioles a 3-2 lead. It got ugly from there for a Mariners bullpen that posted a 5.33 earned-run average and squandered 27 save opportunities during the regular season.

Bobby Ayala served up a two-run home run to Brady Anderson in the seventh inning, and Ayala and Norm Charlton permitted four runs in the eighth. "We just haven't held the games in check the last couple days," Piniella said. " All the guys we have out there are basically capable of doing the job. It hasn't worked out the last couple days, but things can change."

The Mariners overcame an 0-2 deficit to beat the Yankees in a first-round playoff series in 1995. But that time, the final three games were at the Kingdome.

"There's no quit here," Piniella said. "Nobody's down. We'll come out Saturday and play hard. We're not giving up, believe me."

The Mariners had reason to hope when Erickson allowed a pair of first-inning runs on RBI groundouts by Ken Griffey Jr. and Edgar Martinez. But Erickson steadied himself to get the victory, allowing three runs on seven hits, striking out six and walking two in 6⅔ innings.

While the Seattle relievers struggled, the Orioles' bullpen did its job. Armando Benitez struck out Roberto Kelly to get the Orioles out of a seventh-inning jam. Jesse Orosco struck out pinch hitter Rich Amaral to strand two base runners in the eighth, and Randy Myers finished with three strikeouts in the ninth.

"Everything starts with the pitching," the Orioles' right fielder Eric Davis said. "Any time you're in a series like this, the best pitching is going to win."

Elaine Thompson/The Associated Press

Cal Ripken catching his breath after doubling in two runs in the sixth.

The Associated Press

American-born Konishiki, the heaviest wrestler in sumo history at 275 kilos, twisted down by grand champion Takanohana in Tokyo.

From Sumo Wrestlers To Weight Watchers?

The Associated Press

TOKYO — For centuries, sumo wrestlers have been fat — really fat — and proud of it.

But after watching the weight of top wrestlers balloon to as much as 270 kilograms (600 pounds), officials for Japan's national sport have a word for the wide: Slim down.

"Some young wrestlers are too heavy to keep up with the training," said Sho Sakaigawa, chairman of the Japan Sumo Association. "They're breathing heavily all the time. Some even have trouble walking; they're too fat." The average weight in the top divisions is 150 kilograms.

Sumo is hoping the coming year will be a landmark: Professionals will be featured in the opening ceremony of the Winter Olympics in Nagano in February.

But sumo's ability to draw fans has been wavering. Sakaigawa said obesity was partly to blame.

Bulls Tell Jackson It's Time to Depart

The Associated Press

DEERFIELD, Illinois — Phil Jackson returned to coach the Chicago Bulls this season out of devotion to Michael Jordan and Scottie Pippen.

But it appears that will not happen again, even if Jordan and Pippen beg him to stay, because the Bulls management is telling him to leave and Jackson agrees that it's time for a change.

He assured the Bulls' general manager, Jerry Krause, that he would walk out at the end of the season, Jackson said before training camp opened Friday, and Krause "assisted me in that belief," he said.

"It's time to move on," Jackson added. "It would take wild horses to drag me back this time. This is the final year."

SCOREBOARD

BASEBALL

MAJOR LEAGUE PLAYOFFS

THURSDAY'S LINESCORES

AMERICAN LEAGUE

Baltimore	010	020	240	9	14	0
Seattle	200	000	100	3	9	0

Erickson, A. Benitez (7), Orosco (8), Ra.Myers (9) and Webster; Moyer, Spoljaric (5), Ayala (7), Charlton (8), Slocomb (9) and Da.Wilson. W—Erickson 1-0. L—Moyer 0-1. HRs—Baltimore, By.Anderson (1), Baines (1).

(Baltimore leads series 2-0)

Cleveland	000	520	000	7	11	1
New York	300	000	011	5	7	2

Jr.Wright, M. Jackson (7), Assenmacher (7), Mesa (8) and S.Alomar; Pettitte, Boehringer (6), Lloyd (7), Nelson (9) and Girardi, Posada (9). W—Jr.Wright 1-0. L—Pettitte 0-1. HRs—Cleveland, Ma.Williams (1). New York, Jeter (2).

(Series tied 1-1)

JAPANESE LEAGUES

CENTRAL LEAGUE

	W	L	T	Pct	GB
x-Yakult	80	50	2	.615	—
Yokohama	69	59	0	.539	10
Hiroshima	64	64	0	.500	15
Yomiuri	61	71	0	.462	20
Hanshin	59	72	1	.450	21½
Chunichi	58	75	1	.436	23½

x-clinched league title

PACIFIC LEAGUE

	W	L	T	Pct	GB
Seibu	75	53	3	.586	—
Orix	66	58	3	.532	7
Kintetsu	65	62	4	.512	9½
Nippon Ham	63	71	1	.470	15
Daiei	59	68	1	.465	15½
Lotte	55	71	2	.437	19

FRIDAY'S RESULTS

CENTRAL LEAGUE

Yakult 8, Hiroshima 2
Yomiuri 7, Chunichi 6
Yokohama 0, Hanshin 1

PACIFIC LEAGUE

Daiei 1, Seibu 2
Kintetsu 1, Orix 7

CRICKET

PAKISTAN CB XI VS. SOUTH AFRICA
3-DAY MATCH, 2D DAY
FRIDAY, IN KARACHI, PAKISTAN

South Africa: 305-7 and 254-8
Pakistan Cricket Board XI: 132 and 237-4
The match ended in draw.

BASKETBALL

EUROLEAGUE

GROUP A

Olympiakos Piraeus 69, Limoges 57
Real Madrid 66, Efes Pilsen 76

STANDINGS: Olympiakos 6 points; Maccabi Tel Aviv 5; CSKA Moscow 5; Efes Pilsen 5; Real Madrid 3; Limoges 3.

GROUP B

Porto 79, Croatia Split 83
Benetton Treviso 71, Turk Telecom 66

STANDINGS: Benetton Treviso 6 points; PAOK Salonika 5; Croatia Split 5; Estudiantes Madrid 5; Turk Telecom 3; Porto 3.

GROUP C

Ulkerspor 67, Pau Orthez 64
Barcelona 71, Kinder Bologna 84

STANDINGS: Partizan Belgrade 5 points; Barcelona 5; Kinder Bologna 5; Ulkerspor 4; Hapoel Jerusalem 4; Pau Orthez 4.

GROUP D

Alba Berlin 74, Cibona Zagreb 73
Paris SG-Racing 66, Olimpia Ljubljana 69

STANDINGS: Teamsystem Bologna 6 points; AEK Athens 5; Alba Berlin 5; Cibona Zagreb 4; Olimpija Ljubljana 4; Paris St Germain 3.

ICE HOCKEY

NHL STANDINGS

EASTERN CONFERENCE

ATLANTIC DIVISION

	W	L	T	Pts	GF	GA
Philadelphia	1	0	0	2	3	1
Tampa Bay	1	0	0	2	4	2
Washington	1	0	0	2	4	1
New Jersey	0	0	0	0	0	0
N.Y. Islanders	0	0	0	0	0	0
N.Y. Rangers	0	0	0	0	0	0
Florida	0	1	0	0	1	3

NORTHEAST DIVISION

	W	L	T	Pts	GF	GA
Boston	1	0	0	2	6	5
Buffalo	1	0	0	2	3	1
Montreal	0	0	1	1	2	2
Ottawa	0	0	1	1	2	2
Pittsburgh	0	0	1	1	3	3
Carolina	0	1	0	0	2	4

WESTERN CONFERENCE

CENTRAL DIVISION

	W	L	T	Pts	GF	GA
Detroit	1	0	0	2	3	1
Phoenix	1	0	0	2	6	2
Dallas	0	0	1	1	2	2
Chicago	0	1	0	0	2	6
St. Louis	0	1	0	0	1	3
Toronto	0	1	0	0	1	4

PACIFIC DIVISION

	W	L	T	Pts	GF	GA
Edmonton	1	0	0	2	5	3
Colorado	0	0	1	1	2	2
Los Angeles	0	1	1	1	8	9
Anaheim	0	0	0	0	0	0
Vancouver	0	0	0	0	0	0
Calgary	0	1	0	0	1	3
San Jose	0	1	0	0	3	5

THURSDAY'S GAME

Los Angeles	2	3	0—5
Boston	3	2	1—6

First Period: B-Heinze 1 (Allison, Elliott) (pp). 2. B- McLaren 1 (DiMaio) 3. L.A.-Smyth 1 (Boucher, MacLean) 4. L.A.-Murray 1 (Norstrom, Stumpel) 5. B-Khristich 1 (Donato) Second Period: L.A.-Stumpel 1 (Johnson, MacLean) 7. B-Bates 1 (Sweeney) 8. B-Taylor 1 (Donato) 9. L.A.-Ferraro 1 (Magee, Zmolek) 10. L.A.-Robitaille 2 (Johnson) Third Period—11. B-DiMaio 1 (Sweeney) Shots on goal: L.A.- 12-14-5—31. B- 7-13-10—30. Goalies: L.A.-Fiset. B-Dafoe.

SOCCER

CUP WINNERS' CUP

Ararat Yerevan, Armenia, 0, Copenhagen 2
FC Copenhagen won 5-0 on aggregate.
Primorje, Slovenia, 1, AIK Stockholm 1
Primorje Ajdovscina won 2-1 on aggregate.
Lokomotiv Moscow 3, Bobruisk, Belarus, 0
Lokomotiv Moscow won 5-1 on aggregate.
VfB Stuttgart 2, Vestmannaeyjar, Iceland, 1
Stuttgart won 5-2 on aggregate.
National Bucharest 0, Kocaelispor, Turkey, 1
Kocaelispor won 3-0 on aggregate.
Shakhtar, Ukraine, 1, Boavista, Portugal, 1
Shakhtar Donetsk won 4-3 on aggregate.
Red Star, Belgrade 1, Germinal, Belgium, 1
Germinal Ekeren won 4-3 on aggregate.
Lucerne 0, Slavia Prague 2
Slavia Prague won 6-2 on aggregate.
Sturm Graz 3, Apoel Nicosia 0
Sturm Graz won 4-0 on aggregate.
BVSC Budapest 0, Real Betis 2
Real Betis won 4-0 on aggregate.
Dinaburg Daugavpils, Lat., 2, AEK Athens 4
AEK Athens won 9-2 on aggregate.
Slovan Bratislava 0, Chelsea 2
Chelsea won 4-0 on aggregate.
Kilmarnock, Scotland, 1, Nice 1
Nice won 4-2 on aggregate.
Rada 10, Hapoel Beersheva, Israel, 0
Rada JC Kerkrade won 14-1 on aggregate.
Legia Warsaw 1, Vicenza 1
Vicenza won 3-1 on aggregate.
Tromso, Norway, 4, NK Zagreb 2, OT
Tromso won 6-5 on aggregate.

SECOND ROUND DRAW
CUP WINNERS' CUP

FIRST LEG OCT. 22, RETURN LEG NOV. 6

Tromso, Norway, vs. Chelsea, England
Germinal Ekeren, Belgium, vs. VfB Stuttgart
Lokomotiv Moscow, vs. Kocaelispor, Turkey
Shakhtyor Donetsk, Ukraine, vs. Vicenza
Real Betis, Spain, vs. Copenhagen
AEK Athens, vs. Sturm Graz, Austria
Nice, France, vs. Slavia Prague.
Primorje, Slovenia, vs. Rada JC, Neth.

SECOND ROUND DRAW
UEFA CUP

FIRST LEG OCT. 21, RETURN LEG NOV. 4

Ajax, vs. Udinese, Italy
Braga, Portugal, vs. Dinamo Tbilisi, Metz, vs. Karlsruhe
Strasbourg, vs. Liverpool
Inter Milan, vs. Olympique Lyonnais
Rapid Vienna, vs. 1860 Munich
M.TK FC Budapest, vs. Croatia Zagreb
Spartak Moscow, or Sion, Switzerland, vs. Valladolid, Spain.
Schalke 04, Ger., vs. Anderlecht, Belgium,
Aarhus, vs. Twente Enschede, Netherlands.
Athletic Bilbao, vs. Aston Villa
Auxerre, France, vs. OFI Crete, Greece.
Steaua Bucharest, vs. Bastia, France.
Rotor Volgograd, Russia, vs. Lazio Rome
Atletico Madrid, vs. PAOK Salonika
VfL Bochum, Ger. vs. Club Brugge, Belg.

WORLD CUP

ASIAN ZONE
SECOND ROUND, GROUP A

China 1, Saudi Arabia 0
Iran 3, Qatar 0

STANDINGS: Iran 8 points; Kuwait 4; Saudi Arabia 4; China 4; Qatar 1.

TENNIS

SWISS INDOORS
FRIDAY, IN BASEL, SWITZERLAND
QUARTERFINALS

Greg Rusedski (4), Britain, def. Thomas Enqvist (6), Sweden, 7-6 (7-4), 4-6, 6-3.
Petr Korda (7), Czech Republic, def. Lionel Roux, France, 6-3, 6-4.
Tim Henman, Britain, def. Magnus Norman, Sweden, 6-3, 6-2.

CHINA OPEN
FRIDAY, BEIJING
QUARTERFINALS

Jim Courier (1), United States, def. Jan Kroslak, Slovakia, 6-4, 6-3.
Kenneth Carlsen, Denmark, def. Alex O'Brien, United States, 7-6, 5-7, 7-6 (7-4).
Thomas Johansson (3), Sweden, def. Gianluca Pozzi, Italy, 6-2, 6-4.
Magnus Gustafsson (5), Sweden def. Byron Black, Zimbabwe 6-4, 6-3.

SICILIAN OPEN
FRIDAY, IN PALERMO, SICILY
THIRD ROUND

Marcelo Filippini (5), Uruguay, def. Christian Ruud, Norway, 7-6 (7-4), 6-7 (3-7), 7-5.
Francisco Clavet (8), Spain, def. Vincent Spadea, U.S., 6-3, 6-3.
Javier Sanchez, Spain, def. Julian Alonso, Spain, 6-4, 6-4.
Alex Corretja (1), Spain, def. Richard Fromberg, Australia, 6-1, 6-4.
QUARTERFINALS
Sanchez def. Filippini 6-3, 1-6, 6-4.
Corretja def. Clavet 7-6 (7-4), 6-2.
Dominik Hrbaty (6), Slovakia, def. Albert Portas (3), Spain, 7-5, 6-4.

TRANSITIONS

BASEBALL

AMERICAN LEAGUE

TEXAS—Announced OF Warren Newson refused minor-league assignment and has been granted free agency.

NATIONAL LEAGUE

CHICAGO—Named Steve Melendez assistant trainer.

BASKETBALL

NATIONAL BASKETBALL ASSOCIATION

CHARLOTTE—Signed F Junior Burrough and G Corey Beck.
CHICAGO—Signed F Keith Booth to 3-year contract.
CLEVELAND—Signed F Sherell Ford, F Adrian Caldwell, G Mitchell Butler, and G Jerome Allen.
DALLAS—Signed F Michael Finley to 5-year contract extension.
L.A. LAKERS—Signed G DeJuan Wheat.
MIAMI—Signed F Muntreale Dobbins.
MILWAUKEE—Signed G Melvin Booker, F Jamie Feick, and F Jeff Nordgaard.
PORTLAND—Signed F Sean Higgins, C Alton Lister, C Terrell Bell, G Ernest Hall, and F-C Curt Rambo.
SEATTLE—Acquired G-F Dale Ellis from Denver for G Greg Graham, C Steve Scheffler, 1998 2d-round draft pick and conditional 2d-round pick in either 1999 or 2002.

HOCKEY

NATIONAL HOCKEY LEAGUE

DALLAS—Signed D Craig Muni to 1-year contract. Assigned D Brad Lukowich to Michigan, IHL.
FLORIDA—Signed F Serge Payer to 3-year contract.
N.Y. RANGERS—Agreed to terms with C Wayne Gretzky.
PITTSBURGH—Assigned RW Roman Oksiuta to Quebec, IHL.
TAMPA—Signed F Troy Mallette. Assigned F Lonie DeBruak to San Antonio, IHL.

COLLEGE

SOUTHERN METHODIST—Suspended DE Karon Riley for Saturday's game for misusing athletic department's long distance telephone code.
TEXAS SOUTHERN—Named Peggy Pope Stapleton women's basketball coach.

THE WEEK AHEAD

SATURDAY, OCT. 4

ATHLETICS, Kosice, Slovakia — world half-marathon championships.
BOXING, Atlantic City, New Jersey — Lennox Lewis, Canada, vs. Andrew Golota, United States, 12, for Lewis' WBC heavyweight title.
CRICKET, Harare — Zimbabwe vs. New Zealand, second 1-day international.
GOLF, men: Berlin — German Masters, to Oct. 5; Pine Mountain, Georgia — Buick Challenge, to Oct. 5; Kasuya, Japan — Japan Open, to Oct. 5; Clemmons, North Carolina — Vantage Championship, seniors, to Oct. 5. Women: Kutztown, Pennsylvania — Core States Betsy King Classic, to Oct. 5; Ichihara, Japan — Kasaida Ladies, to Oct. 5.
RUGBY LEAGUE Brisbane — World club championship quarter-final: Brisbane, Australia, vs. St Helens, England.
RUGBY UNION various sites — European Cup: Leicester vs. Toulouse; Leinster vs. Milan; Swansea vs. Glasgow; Pontypridd vs. Scottish Borders; Bourgoin vs. Munster; Harlequins vs. Cardiff; Treviso vs. Llanelli; Caledonia vs. Pau.
TENNIS, Hertogenbosch, Netherlands — Federation Cup final, Netherlands vs. France, to Oct. 5. Men: Basel, Switzerland — Swiss Indoors, to Oct. 5; Palermo, Sicily — Sicilian International, to Oct. 5; Beijing, China — Beijing Open, to Oct. 5
VOLLEYBALL, Brno, Zlin, Czech Republic — women, European Championship, to Oct. 5.

SUNDAY, OCT. 5

ATHLETICS Istanbul, Turkey — — Eurasia Marathon; Minneapolis — U.S. Masters Marathon.
CRICKET, Harare — Zimbabwe vs. New Zealand, third 1-day international.
CYCLING, Paris-Tours, France — World Cup, Paris-Tours Classic.
HORSE RACING Longchamp, France — Arc de Triomphe.
SOCCER, Mexico City — World Cup qualifying, Mexico vs. El Salvador.

MONDAY, OCT. 6

TENNIS, women: Filderstadt, Germany — Porsche Tennis Grand Prix, to Oct. 12. Merc Vienna, Austria — CA Tennis Trophy, to Oct. 12; Singapore — Heineken Open, to Oct. 12.
GAMES, Jakarta, Indonesia — South East Asian Games, to Oct. 19.
CRICKET, Rawalpindi, Pakistan — Pakistan vs. South Africa, first test, to Oct. 10.

TUESDAY, OCT. 7

SOCCER, Chisinau, Moldova — World Cup qualifyier, Moldova vs. Poland.

WEDNESDAY, OCT. 8

BASKETBALL, Bologna — EuroLeague Teamsystem Bologna vs. Paris St Germain.
TENNIS, London — Davis Cup draw for 1998.

THURSDAY, OCT 9

CYCLING, San Sebastian, Spain — World Road Championships, to Oct. 12.
BASKETBALL, various sites — EuroLeague: Limoges vs. CSKA Moscow; Efes Pilsen Istanbul vs. Maccabi Tel Aviv; Real Madrid vs. Olympiakos; Porto vs. Ankara; Estudiantes Madrid vs. Croatia Split; PAOK Salonika vs. Benetton Treviso; Kinder Bologna vs. Partizan Belgrade; Pau vs. Hapoel Jerusalem; Ulker Istanbul vs. Barcelona; SCT Olimpija vs. Alba Berlin; AEK Athens vs. Cibona Zagreb.
FIELD HOCKEY, Adelaide, Australia — men, 19th Champions Trophy, to Oct. 12.
GOLF, men: Virginia Water, England — World Match Play Championship, to Oct. 12; Bordeaux, France — Novotel Open, to Oct. 12; Williamsburg, Virginia — Michelob Championship, to Oct. 12; Nishikama, Japan — Tokai Classic, to Oct. 12. Women: TBA — Samsung World Championship of Women's Golf, to Oct. 12; Sanbu, Japan — Takara World Invitational, to Oct. 12.
JUDO, Paris — World Championships, to Oct. 12.
SOCCER Belem — friendly international: Brazil vs. Morocco.

FRIDAY, OCT. 10

CRICKET, Nairobi, Kenya — 3-nation tournament, Kenya vs. Bangladesh.
SOCCER, Kuwait City — World Cup qualifyier, Kuwait vs. China.
TENNIS, Pesaro, Italy — Senior Tour of Champions, to Oct. 13.

SATURDAY, OCT. 11

AUTO RACING, — Italian Rally, to Oct.15.
CRICKET, Nairobi, Kenya — 3-nation tournament, Bangladesh vs. Zimbabwe.
RUGBY UNION, various sites — European Cup: Toulouse vs. Leinster; Bath vs. Pontypridd; Cardiff vs. Bourgoin; Llanelli vs. Caledonia; Pau vs. Treviso.
SOCCER, various sites — World Cup qualifyers: Saudi Arabia vs. Qatar; Kazakstan vs. South Korea; Uzbekistan vs. Japan; Greece vs. Denmark; Slovenia vs. Croatia; Italy vs. England; Georgia vs. Poland; Finland vs. Hungary; Switzerland vs. Azerbaijan; Austria vs. Belarus; Sweden vs. Estonia; Scotland vs. Latvia; Cyprus vs. Luxembourg; Russia vs. Bulgaria; Czech Republic vs. Slovakia; Malta vs. Yugoslavia; Spain vs. Faeroe Islands; Netherlands vs. Turkey; Belgium vs. Wales; Iceland vs. Liechtenstein; Ireland vs. Romania; Macedonia vs. Lithuania; Germany vs. Albania; Portugal vs. Northern Ireland; Armenia vs. Ukraine. Lens, France — friendly international; France vs. South Africa.
SQUASH, Sydney — Women's World Open championships, to 19.

SUNDAY, OCT. 12

AUTO RACING, Suzuka, Japan — Formula One, Japanese Grand Prix.
CRICKET, Nairobi, Kenya — 3-nation tournament, Kenya vs. Zimbabwe.
MOTORCYCLE RACING, Phillip Island, Australia — Australian Grand Prix.
RUGBY UNION, various sites — European Cup: Milan vs. Leicester; Wasps vs. Swansea; Glasgow vs. Ulster; Scottish Borders vs. Brive; Munster vs. Harlequins.
SOCCER, various sites — World Cup qualifyers: Canada vs. Mexico; Chile vs. Peru; Ecuador vs. Bolivia; Paraguay vs. Venezuela; South America, Argentina vs. Uruguay.

هكذا من الأصل

SPORTS

Showdown in Denver

Patriots Arrive for Battle of the Unbeaten

By Thomas George
New York Times Service

New England (4-0) vs. Denver (3-0) On Nov. 17 last year, Denver rolled into Foxboro Stadium and crushed the Patriots, 34-8, as Terrell Davis rushed for three first-half touchdowns and 154 yards by game's end. It looked like New England suffered from serious matchup problems against Denver, but in a preseason battle this year,

NFL MATCHUPS

New England won and appeared to have closed the gap. Both teams are flying high now, both undefeated, and the game will boil down to which big-play receiver (New England's Terry Glenn or Denver's Rod Smith) can stretch the defenses enough to make the offenses click. Glenn is great, but go with Smith at home. *Prediction: Broncos, 20-16.*

Tampa Bay (3-0) vs. Green Bay (3-2) Mike Holmgren, the Green Bay coach, is 8-2 against Tampa Bay and his teams now hold an overall 18-game winning streak at Lambeau Field. The Packers are happy to be home, fresh off being upset at Detroit last week. Can the Bucs pull one off, too? Of course they can. In their last meeting last season, a 13-7 Green Bay victory, the Packers did not score in the second half and were held to their season-low in points. It will require that kind of defensive effort to thwart the Packers at home. The Bucs are up to the task. *Buccaneers, 17-16.*

Kansas City (4-1) vs. Miami (2-2) "We just want to keep fighting until it's over. We won't die." Safety Jerome Woods said that after another harrowing cliffhanger for Kansas City produced another Chiefs victory, this one in overtime, over Seattle last week. Now it's the Dolphins, as Kansas City makes a fourth straight trip to Miami in this series. Elvis Grbac has outplayed Dan Marino thus far this season; few could have expected that. But Miami has had two weeks to prepare and that should mean plenty. *Dolphins, 24-17.*

Pittsburgh (2-2) vs. Baltimore (3-2) Pittsburgh arrives having ripped Tennessee last week and having watched its quarterback, Kordell Stewart, pass for a career-high 244 yards. The Ravens' Vinny Testaverde and his teammates suffered a disappointing loss at San Diego, 21-17, a game they had every chance to win. Look for the trend to continue. *Steelers, 26-20.*

Cincinnati (1-3) vs. Jacksonville (3-1) Jacksonville is smarting, having been embarrassed offensively and whipped by the Washington Redskins last week. This week the Jags tackle a team and a quarterback — Jeff Blake — that usually gives them fits. Blake is 3-1 against the Jaguars and threw for five touchdowns in two meetings last year. But look for Jacksonville to create ways to keep him in check and for its offense to rebound. *Jaguars, 27-13.*

Washington (3-1) vs. Philadelphia (1-3) The whole Eagles crew is ready to hurt someone after losing to Minnesota and stumbling to two consecutive losses after that huge victory over Green Bay. Washington is playing solid football, especially on defense, where it is creating turnovers and keeping opponents out of the end zone. The Eagles want this one badly to right their ship. The Redskins want it more to continue a good thing. *Redskins, 24-23.*

Detroit (3-2) vs. Buffalo (2-2) Buffalo hosts a team that is brimming with optimism after it defeated the world champion Packers. But is this a cycle with Detroit? Lose to New Orleans? Beat Green Bay? Up and down? The Bills certainly hope so. The Lions do have more talent, from top to bottom, on their roster. Expect it to surface. *Lions, 26-24.*

Dallas (3-1) vs. Giants (2-3) Last November the Cowboys strolled into Giants Stadium and were shocked, 20-6, in a game where the Giants forced five turnovers. The Giants would love to duplicate that. If Deion Sanders continues to return punts for the Cowboys, that could give Dallas a special lift. The Emmitt Smith-Tyrone Wheatley matchup is worth watching. Both have plenty to prove. *Cowboys, 16-10.*

Minnesota (3-2) vs. Arizona (1-3) Arizona came so close at Tampa Bay but lost, and now the Cardinals host a hot team that has given them trouble in the past (the Vikings have won four of last five in the series). Who will stop Robert Smith? He sparks the Vikings' offense with an eye-popping 6.3 yards a carry. *Vikings, 17-14.*

Tennessee (1-3) vs. Seattle (2-3) "He's gone from 200 yards to 100 to 40 to 20. Something is wrong. You have to play good defense to have a good running game and we're not making plays on defense." That was the Oilers' coach, Jeff Fisher, talking about his running back, Eddie George, and his defense. Both have slumped. And going on the road in the loud Kingdome is not the place to seek improvement. *Seahawks, 27-9.*

San Diego (2-3) vs. Oakland (2-3) Stan Humphries finally hit his stride at quarterback for the Chargers, but the Raiders' Jeff George has been in stride all season. George has completed 95 of 166 attempts for a 57.2 percent completion rate. He is averaging 8.87 yards a pass attempt, has completed a long pass of 67 yards and has 13 touchdown passes compared with three interceptions. That is a 105.3 rating, third-best in the NFL. That, with Napolean Kauffman's running, is too much for the Chargers to overcome. *Raiders, 34-23.*

Jets (3-2) vs. Indianapolis (0-4) The Colts started last season 4-0. This season they're 0-4. What a turnaround. There have been so many problems, and now the latest is keeping the team from completely folding. The last loss, a disheartening display of wilting under pressure after building a big lead at Buffalo, may have been the final nail driven into a pitiful Colts season. No sympathy from the Jets. *Jets, 23-17.*

New Orleans (1-4) vs. Chicago (0-5) This is the Woe Bowl. Can things get any worse for either team? For the Saints, it has been a comedy of errors. For the Bears, it has been, simply, comedy. Something must give. The Bears should run Raymont Harris about 50 times and watch what happens. He is the player on the field who should make the difference in this game. *Bears, 10-3.*

Bye week: Atlanta, Carolina, St. Louis and San Francisco.

Chelsea Moves Ahead, Red Star Stays Behind

The Associated Press

LONDON — The English team Chelsea, Real Betis of Spain and Stuttgart of Germany survived to make it to the second round of the Cup Winners Cup. But Red Star Belgrade, the European champion in 1991, was not as fortunate, going out to Germinal Ekeren of Belgium in its second-leg, first-round match.

Chelsea defeated Slovan Bratislava, 2-0, to go through 4-0 on aggregate. With Slovan going out and Red Star following suit, Chelsea is the only team

CUP WINNERS CUP

left in the weak Cup Winners Cup competition that has won a previous European title. Chelsea won the Cup in 1971.

Ruud Gullit's Chelsea team went ahead 1-0 in the 28th minute on a freak goal credited to the Italian, Gianluca Vialli. The Slovan goalkeeper, Miroslav Konig, came out to clear a loose ball after Dan Petrescu and Roberto Di Matteo tried to control it near the box. But Konig kicked the ball directly at Vialli. The ball rebounded off Vialli's backside, struck the crossbar on the underside, and went in as applause erupted from the 1,300 visiting Chelsea fans.

Roberto Di Matteo, teaming with Vialli, scored the second goal in the 60th minute. Vialli spotted Di Matteo coming down the right side and found him with a perfect cross, which Di Matteo settled and then chipped in from 5 meters.

In Belgrade, Germinal Ekeren of Belgium eliminated Red Star with relative ease, drawing 1-1 to advance 4-3 on aggregate. Red Star took the lead in the 18th minute on a goal by Ivan Drulic. But Tomasz Radzinsky equalized in the 67th, tapping home a perfect pass from midfielder Gunther Hofman. Red Star's 50,000 fans, watching in heavy rain, had hoped to cheer their team on from a 2-3 deficit after the first leg.

A Slovak referee, Karol Iring, sent off two players — Red Star's Dejan Stankovic and Germinal's Michael Verstraeten — after they tussled seven minutes into the second half.

In Stuttgart, Jonathan Akpoborie scored in the 72d and again four minutes later as the Germans won, 2-1, to advance, 5-2, over Icelandic team Vestmannaeyja.

In Budapest, Real Betis of Spain defeated Budapest Vasutas, 2-0, as Humberto Alexis scored eight minutes into the match and Alfonso Peres scored in the 49th.

In Donetsk, Ukraine, Shakhtar Donetsk held Boavista of Portugal to a 1-1 draw to advance, 4-3. Mikhail Potskhveria put Shakhtar on the board in the 78th, but Russel Latapy leveled for the visiting Portuguese a minute later. Shakhtar surprised Boavista, 3-2, two weeks ago in Porto.

In Bucharest, Nuri Colak found the net in the 79th minute to give the Turkish team Kocaelispor a 1-0 victory over National Bucharest of Romania, advancing on a 3-0 aggregate score to the second round.

In Graz, Austria, Sturm Graz overwhelmed Apoel Nicosia of Cyprus, 3-0, to go through, 4-0, on aggregate. Hans Reinmayr scored in the 3rd, Ivica Vastic in the 29th and Mario Haas in the 42nd.

The Associated Press

Sturm Graz's Ivica Vastic, right, battling Costats Constantineu of Nicosia.

Sports Agents: Hated by Many, Loved by a Few

By Bill Brubaker
Washington Post Service

WASHINGTON — Gus Sunseri, the agent for the Redskins defensive tackle Sean Gilbert, was explaining on a Washington radio talk show why his client was refusing to report to work.

Gilbert is worth at least $5 million a year, Sunseri said, and the Redskins offered a mere $3.6 million. When the interviewer told him that many fans do not believe Gilbert is worth $5 million — the Redskins, after all, had one of the worst defenses in pro football last season — Sunseri responded: "We care about how we're judged in God's eyes — and not the public's eyes. Ninety-nine percent of the people only know 1 percent of the facts."

The interview, several days before the Redskins' 1997 season opener, brought a strong response from Washington listeners. "The 1 percent I do know is that Sean Gilbert has a very arrogant agent," one caller said. Others called Sunseri a "jerk" and "total moron" who "reinforces every negative stereotype you ever had of an agent."

As professional athletics has grown into a multibillion-dollar industry, where star players can earn hundreds of thousands of dollars a game, agents have become, to many fans, the scourge of the sports world — responsible for skyrocketing salaries, high ticket prices, even the won-loss records of their favorite teams.

"More people are saying: Kill the agent," said Brian Cook, a hockey agent in Boston who threatened to sue the Washington Capitals this summer.

"You have to understand our job," said Scott Boras, who represents 70 major and minor league players, including the Atlanta Braves pitcher Greg Maddux, the highest-paid baseball player in history. "Being a representative of players is much like being a player going into an opposing ballpark. I expect to be booed."

The image of the brash, overbearing agent, sniping at team officials, insisting his client is terribly underappreciated and horribly underpaid, has been part of the American sports culture since the 1960s when athletes, in increasing numbers, began hiring representatives to do their bidding. And as player salaries have soared, leagues have expanded and their profession has been glamorized by the Tom Cruise movie "Jerry Maguire," agents have become an increasingly dominant and visible force in pro sports.

In the United States and Canada, more than 1,000 agents have been certified by the players' associations, or unions, of the four major pro sports ruling bodies: the National Basketball Association, National Football League, Major League Baseball and National Hockey League. Agents also are regulated by some states.

It's a lucrative business, at least for agents with star clients. Agents representing NFL and NBA players can collect a maximum of 4 percent of any money they negotiate above the minimum salaries. No maximum fees are specified by the baseball and hockey unions. Significantly, more money can be earned for negotiating product-endorsement contracts, which are not regulated by the unions. Fees of 20 to 25 percent are customary.

Though many agents fit the cocky, high-fiving image portrayed in "Jerry Maguire," some are serious, 'soft-spoken and business-like in their approach. In fact, many are lawyers. No prior experience is necessary to be certified as an agent. "If an applicant has been convicted of a felony, we certainly won't certify him," a baseball union executive said. "But other than that, the only qualification an agent needs is to have a client."

Some recent negotiations illustrate how aggressively agents can operate, withholding athletes' services, threatening legal action and using the media to explain their often-unpopular positions.

Surely one of the most powerful and controversial figures in sports is Boras, whom writers have nicknamed "Father of the Bonus Baby" and, less kindly, "The Most Hated Man in Baseball."

Whereas a decade ago $200,000 was considered a hefty signing bonus for an untested amateur baseball player, today it's $10 million — the amount Boras squeezed out of the expansion Tampa Bay Devil Rays last year for a high school pitcher named Matt White.

Boras, a lawyer and former minor league infielder who has a doctorate degree in industrial pharmacy, does

'Ninety-nine percent of the people only know 1 percent of the facts.'

little to dispel the notion he is one of the most combative — and, to adversaries, annoying — sports agents.

"One young team negotiator once took his shoe off and banged it on the table — like the Nikita Khrushchev thing — during a negotiation with me," Boras said in a phone interview. "Another guy pushed a chair through a wall. Both those persons, maybe they were trying to see if I would get mad. I'm not the kind of person who gets mad."

Boras's latest shoe-banger involves the Philadelphia Phillies and a 21-year-old former Florida State University outfielder, J.D. Drew, who was widely considered the best prospect in this summer's amateur draft. As Boras tells it, several baseball organizations assured him they would give Drew a three-year, $11 million major league contract if they drafted him. Boras said he warned clubs not to draft Drew if they were unwilling to make similar offers.

But the Phillies selected Drew with the second pick of the draft, and offered a $2 million signing bonus. The Phillies scouting director, Mike Arbuckle, said he asked Boras "to show me some proof" that other clubs had promised $11 million. Boras declined to offer the Phillies any proof.

Boras found Drew a $750-a-month job with the St. Paul Saints in Minnesota, an independent minor league club. He also filed a grievance with Major League Baseball's ruling executive council, seeking to have his client declared a free agent.

While Drew's future is being sorted out, Boras said his client is protected by a $10 million Lloyd's of London disability insurance policy. But Drew has no protection from the wrath of Philadelphia fans, who have been noting their displeasure on radio talk shows and on the Phillies' World Wide Web site.

Another agent who has just had a slugging match is Brian Cook — with the Washington Capitals. "To me, it was the most grinding negotiation I had ever been through," he said.

It began March 1, when the Capitals acquired a client of Cook's — star center Adam Oates — in a trade with the Boston Bruins.

Cook said the president and general manager of the Capitals promised to give Oates a three-year, $9 million contract at the end of the 1996-97 season and a $9 million disability policy to protect him for the remainder of the season.

But they later balked on the contract price, and in a letter said the Capitals had "not agreed to any specific terms."

Cook said he smelled trouble when the Capitals hired George McPhee — a Vancouver Canucks executive, former NHL player and Rutgers University law school graduate — as general manager. "George McPhee has a reputation for just hating agents," Cook said.

On June 11, McPhee offered Oates a two-year, $5 million contract, according to Cook. But Cook dug his heels in, and eventually he won: Oates signed a three-year Capitals contract that will pay him just under $9 million, with an opportunity to earn $3 million more during an option year. "I think I let the Caps know that Adam Oates just wasn't going to roll over," Cook said.

DENNIS THE MENACE

"BUT IF WE START FROM DUST AND RETURN TO DUST, THEN SOMEBODY'S EITHER COMING OR GOING UNDER MY BED."

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

HIKKA

FIMOT

CODJUN

EKATIN

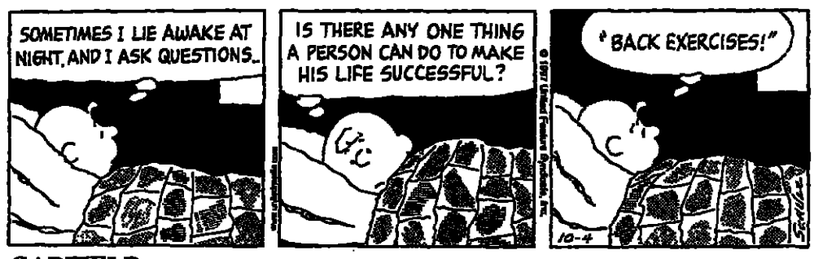
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: A DIF (Answers Monday)

Yesterday's Jumbles: FLORA SCOUT OUTWIT KERNEL
Answer: Why the pizza hanger worked late — HE WAS ON A ROLL

EDUCATION
Appears every Monday
in The Intermarket.
To advertise contact Sarah Wershof
in our London office:
Tel.: +44 1 71 420 0326
Fax: +44 1 71 420 0338
or your nearest IHT office
or representative.

PEANUTS



CALVIN AND HOBBES

GARFIELD

WIZARD of ID

BEETLE BAILEY

NON SEQUITUR

DOONESBURY

BLONDIE

هكذا من الأصل

DAVE BARRY

The 9-Iron and Emus

MIAMI — You've surely noticed that a big golf craze is sweeping the United States, as aging baby boomers discover the benefits of participating in a sport where the most physically demanding activity is ordering putters by mail.

It has reached the point where, if you don't play golf, your career can suffer. I know mine has. In my newspaper office, the two senior editors — let's call them "Tom Shroder" and "Bill Rose" — regularly go off together during business hours to play golf. I'm sure that while they're out on the "links" whacking their "bogeys," they discuss important business matters and formulate newspaper policies in conversations like this:

TOM: Bill, before I attempt to "shank" this "birdie," I'd like to know your "gut feeling" on the use of quotation marks in the newspaper.

BILL: Tom, I feel they are overused.

TOM: I agree. Let's formulate a policy on that.

BILL: And then let's try on evening gowns.

TOM: Yes! We'll accessorize with brooches!

I'm not saying "Tom" and "Bill" discuss exactly these topics. I'm merely saying that, because I don't play golf, I don't know WHAT they discuss, and so I'm "out of the loop." Perhaps you're "in the same boat." Perhaps you'd like to learn about golf, so that when your colleagues talk about it, you can join in and be "one of the persons." That's why today's topic is Basic Questions About Golf, starting with the question that beginners ask most often:

Q: Has anybody ever used a 9-iron to kill emus?

A. Alert reader Marjorie Dishron sent me a fascinating column written last February by Ron Henry Strait, outdoor writer for The San Antonio Express-News; the column concerns a man named Wes Linthicum, who heads an informal group called the Texas Christian Hunters Association, which each year feeds the homeless using donated meat. An area emu farmer offered to give the group a bunch of emus, which are very large, ostrich-like birds. The problem was that the birds were alive, and, as the old folk saying goes, "You can't feed large ostrich-like birds to the homeless if they (the birds) are walking around." The members of the Texas Christian Hunters Association didn't have guns with them, and nobody wanted to strangle the emus manually. According to the column, the problem was solved when "someone recalled that emus have a tendency to closely examine an object that is dropped on the ground. That's when Linthicum got out his 9-iron."

Another question often asked by beginning golfers is:

Q. What happens if a snake eats my balls?

A. Don't worry! The snake will be fine, provided that it gets proper medical care. I base this statement on an article from the July 5, 1996, Harrisburg (Pennsylvania) Patriot-News, written by Danielle Hollister and alertly sent in by Dave Barrows, headlined SURGERY GETS SNAKE UP TO PAR. The story states that Sandy and Jeff Paul, who raise chickens, sometimes "put golf balls in their hens' nests to encourage the hens to stay put and lay eggs." One day they noticed a five-foot rat snake near their home with three distinct lumps in its middle, and they realized that the snake had swallowed their golf balls. So they grabbed their 9-iron and . . .

Me, I love the idea of paying somebody to play golf with clients.

No, seriously, according to the Patriot-News article, the Pauls contacted a veterinarian, who successfully removed the golf balls. The snake, which the Pauls named "Spalding," came through the operation O.K. and has been accepted at law school.

No, I'm kidding about that last part. But I'm not kidding about our final common golf question, which is:

Q. If I do not wish to stand around on a golf course listening to a bunch of business clients drone on about their "mulligans," can I hire somebody to play golf with them for me?

A. Yes! Alert dentist Steve Carstensen sent me a flyer for a new Seattle outfit called Golf In Action ("We'll Play For You When You Can't"). The idea is, you pay a golfer to take your clients out and play with them, thereby (to quote the flyer) "giving you the freedom to continue your important daily business needs." I called Golf In Action and spoke with the founder, Sheila Locke, who told me that her idea has gotten a good public response, although a lot of the calls are from people who want to join her staff and get paid to play golf.

Me, I love the idea of paying somebody to play golf with your clients, and and I'm thinking: Why not take it further? Why not pay somebody to have meetings with your clients, and take your clients to dinner, and smoke cigars and drink brandy with your clients, and then throw up on your clients' shoes because you hate brandy and cigars? This company could be called: Businesspersons In Action.

So those are your golf basics. Good luck out on the "links," and be sure to say "hi" to my editors, "Tom" and "Bill," who will be easy to spot because they get stuck in the sand traps with those high heels.

(C) 1997 The Miami Herald
Distributed by Tribune Media Services, Inc.

The Rise and Fall of Rosa Bonheur

International Herald Tribune

MARY BLUME

PARIS — Rosa Bonheur (1822-1899) was the most famous woman painter of her time, perhaps of all time. The Empress Eugenie came to Bonheur's chateau, By in Thomery, near Fontainebleau, to pin the Legion d'Honneur on her sturdy breast, an event commemorated in a tune by Bizet, and in 1894 the president of the republic raised her to the rank of *Officier*, the first woman to be so honored.

Queen Victoria received her when her epic painting, "The Horse Fair," was shown in England, and Ruskin thought it worth his while to suggest that she try, like him, to paint watercolors and use purple. But in her own country, although she had won praise from such painters as Delacroix, her reputation steadily declined in her lifetime. Bordeaux, her native city, turned down her offer to sell "The Horse Fair" at a special low price and has no major Bonheurs. The Museum of Fontainebleau kept most of its Bonheurs unhung. On the other hand, "The Horse Fair," given to the Metropolitan by Cornelius Vanderbilt in 1887, is, along with the Egyptian mummies, part of every young New Yorker's first visit to the museum.

The drop in Bonheur's fortunes in France is ascribed not only to changing tastes but to the fact that after the 1855 salon she declined to exhibit for 12 years and even then only showed at two world's fairs, in 1867 and in 1889, where she exhibited a 41-year-old work, "Le labourage nivernais" ("Ploughing in the Nivernais"). Instead, she sold her paintings and copyrighted prints of her paintings mostly on the English and American markets.

The Anglo-Saxons, it was decided, had co-opted her and in 1867 she was criticized for her "English" style. One critic referred to her as "Miss" rather than "Mademoiselle" and noted that "since her adoption by the English who have made her fortune, we have seen none of her paintings in the French exhibitions and not even in sales."

Although she didn't budge from By, where she later installed electricity so as to be able to work at night, she was considered a deserter, no longer French. The fashionable Goncourt brothers, whom she had refused to receive at By, referred to her as "that Jewess," an inaccurate but useful condemnation at a time of rising anti-Semitism.

Finally, after what one French scholar calls more than a century of purgatory, Rosa Bonheur has been rescued from oblivion with her first retrospective, held this summer in Bordeaux and to be seen now in a much abridged version in the tiny and delightful Musee de l'Ecole de Barbizon-Auberge Ganne, 57 kilometers (35 miles) from Paris. The show ends on Nov. 17, when it goes to the Dahesh museum in New York.

There was no room in the former painter's inn for the mammoth "Horse Fair" and "Le labourage nivernais," from the Musee d'Orsay, only squeezed in by having its heavy frame removed, but the show, sympathetically hung among the inn's vestiges by the curator Marie-Therese Caille, gives an intimate view of Bonheur's skill at depicting animals and her brand of naturalism which, now that she is being rehabilitated, is compared more to Courbet, three years her senior, than to such *animaliers* as the sculptor Barye or the soppy Landseer.

The work is more careful than inspired, affectionate but not sentimental, a doughty celebration of working animals whether they be the tremendous oxen of the Nivernais or a dog, Barbaro, exhausted from a day's hunting. As a critic in her heyday, when the French still loved her, wrote, the ensemble of her art could be called a "Hymn to Work."

Philadelphia Museum of Art

Hunt's over: Rosa Bonheur's "Barbaro apres la chasse."

Born in Bordeaux, where her painter father probably met Goya, Bonheur moved to Paris with her family when she was 7. Her father was part of the utopian socialist Saint-Simon movement and a friend of the naturalist and founder of the Jardin de Plantes zoo, Etienne Geoffroy Saint-Hilaire, both early influences, as was the early death of Bonheur's exhausted mother buried, because of the family's poverty, in a common grave.

Rosa studied painting with her father and from the age of 14 went to copy paintings at the Louvre since the academies discriminated against women. She copied mostly Dutch masters such as Paulus Potter and in the family flat kept rabbits, birds and sheep (which had to be taken down five flights of stairs to graze in the nearby Plaine Monceau).

In 1840, aged 19, she showed for the first time at the salon. Her drawing of goats and sheep and her "Rabbits Nibbling Carrots" (on view in Barbizon) attracted no attention, but by 1845 she was selling regularly and won a third-class medal. At the 1847 salon a critic said her sheep made one want to be a shepherd and she was given the ultimate praise, "She paints like a man."

She also began dressing like a man, having received a permit to do so from the Paris police. This, she explained, was necessitated by her going to paint in the rough all-male atmosphere of the Paris slaughterhouses as Gericault had done. Also, the Saint-Simonians had preached sexual equality and designed a sort of pants-dress for women. But if male clothes were both practical and philosophically acceptable, they were also to her taste. "As far as males go, I only like the bulls I paint," she remarked.

As Dore Ashton pointed out in her 1981 biography, Rosa was perhaps unconventional but not a rebel: "She vacillated between middle-class modesty and bohemian audacity all her life." She was proud of her tiny feet and wore a dress for public appearances and portraits; privately she smoked cigarettes and the occasional stogie and had as partners Nathalie Micas, whom she had met at 14 and lived with until Nathalie's death, and the American painter Anna Klumpke.

In 1848, she won a gold medal from a salon jury that included Horace Vernet, Delacroix, Meissonier, Ingres, and Corot, and soon after a 3,000 franc commission from the state for a painting on the subject of ploughing. The result was "Ploughing in the Nivernais," a mighty work of which Cezanne said, "It is horribly like the real thing."

The art public was changing, as Ashton points out, with the newly rich, like the newly rich today, preferring "discoveries" at artists' studios to conventional exhibitions. Rosa began to use dealers to sell her work and became known as a colorful character for her habit of riding astride and retiring to smoke with the men after dinner.

From 1851 she made regular visits to the horse market near the Salpetriere hospital and began studies for "The Horse Fair," with the Parthenon frieze in mind and the unacknowledged influence of Gericault in her unconscious. The horses are Percherons (Bonheur didn't care for delicate thoroughbreds), the canvas a whopping 244 by 506 centimeters, and the painting has a verve rare in her paintings — stolid compared to the thrill of Gericault, but still full of movement and life even if the humans were, as usual, given rather summary treatment.

The painting was the public's favorite at the 1853 salon and Bonheur's dealer, Ernest Gambart, quickly set about marketing it, showing it abroad for an entrance fee and commissioning reproductions which sold famously. In 1859 an American newspaper offered an engraving of "The Horse Fair" as a premium for new subscribers. Bonheur, prospering and no slouch at handling her own image, no longer needed the Salon or Parisian praise.

In 1860 she withdrew to the Chateau of By, about 10 kilometers from Barbizon, receiving in her vast studio, which is now open to the public Wednesday and Saturday afternoons: a pious assemblage of high-Victorian kitsch, including a puppet wearing Rosa's military-style black jacket, with matching waistcoat and skirt, to which her Legion d'Honneur cross is fixed. Also on display are the buckskins given by Buffalo Bill whom she met in 1889, greatly admired, and whose Indians, horses and portrait she painted.

In America, she was portrayed at her easel between Napoleon on his horse and Buffalo Bill on his. In France she was now found plodding. "Le Bougereau des Vaches," one critic said. At a 1900 sale of her work, Anna Klumpke, her sole heir, had to buy back paintings to maintain prices. And in 1941 in Fontainebleau, a huge public statue of a bull, based on one of her own works, donated by her dealer in 1901 and ridiculed from the start, was melted down by the Germans, to no one's apparent regret.

DO YOU LIVE IN FRANCE?

• Subscribe and SAVE up to 60% off the cover price.

• Also available: PAY MONTHLY by easy, low cost, direct debit.

EARLY MORNING DELIVERY TO YOUR HOME OR OFFICE.

A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office.

In and around most of Paris the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday. And, because it is printed in Paris, Toulouse and Marseille, it can be sent by post to arrive on the same day in most of France at no extra cost.

The result?

Unique coverage of the world you live in, brought to you as it changes – daily.

For more information about easy ordering and availability of hand delivery call our Subscriber Customer Service Unit:
Toll free: 0800 437 437
or Fax: 01 41 43 92 10.

PAYMENT BY MONTHLY DIRECT DEBIT

☐ YES, I'd like to subscribe and have my bank account debited monthly by FF162.
Please start my subscription and send me a bank form to arrange my payment.

PAYMENT BY CHECK OR CREDIT CARD

☐ YES, I'd like to subscribe and pay for the following term:
☐ 12 months (+ 2 months free): FF1,950 *(Saving off cover price: 46%)*
☐ Special, 2-month trial subscription: FF210 *(Saving off cover price: 60%)*

☐ My check is enclosed (payable to the IHT)

☐ Please charge my:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
Credit card charges will be made in French Francs at current exchange rates.

Card N°:_____ Exp.:_____

Signature:_____

☐ Please start delivery and send invoice.

YOUR DETAILS

Family Name:_____
First Name:_____
Job Title:_____
Mailing Address: ☐ Home ☐ Business
_____
_____
Postal Code:_____
City:_____
Tel:_____ Fax:_____
E-Mail Address:_____
Your VAT N° (Business orders only)
_____
(IHT VAT N° 747 320 211 26)
I got this copy of the IHT at: ☐ kiosk ☐ hotel ☐ airline ☐ other
☐ I do not wish to receive information from other carefully screened companies. 4-10-97

This offer expires on December 31, 1997 and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.

Return your completed coupon to:
Subscriptions Director, International Herald Tribune, 181, Avenue Charles-de-Gaulle, 92521 Neuilly Cedex.
Fax: 01 41 43 92 10 E-Mail: subs@iht.com FR14

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:
EUROPE, MIDDLE EAST & AFRICA Tel: +33 1 41 43 93 61 Fax: +33 1 41 43 92 10
THE AMERICAS Tel: (USA toll free) 1-800-882-2884 Fax: +1 212 755 8785
ASIA Tel: +852 29 22 11 71 Fax: +852 29 22 11 99

PEOPLE

THE designers **Giorgio Armani** and **Donatella Girombelli** are canceling galas next week and donating the money to victims of earthquakes in Italy. Armani will donate $115,000 instead of holding a dinner at his mansion for fashion week in Milan. Jenny, the label for Donatella Girombelli, canceled a concert and announced a donation of $57,500. Other designers were expected to announce donations for the thousands of people who lost their homes in earthquakes last week in the Umbria and Marche regions.

☐

The **Dalai Lama** will get to see **Jean-Jacques Annaud**'s new film, "Seven Years in Tibet," from his residence in northern India, since he lives in a town with no movie theaters. The French director told Daily Variety that a screen would be installed in the Dalai Lama's home in the town of Dharamsala so he can watch the picture, starring **Brad Pitt**, which will open Monday in Los Angeles.

☐

Robert James Waller, who sprang to fame on the strength of his best-selling love story, "The Bridges of Madison County," was recently divorced from his wife. A court clerk in Alpine, Texas, confirmed that **Georgia Waller** filed for divorce and the decree was granted Aug. 15. Their daughter, **Rachel Waller**, said the divorce became final just before the couple's 36th anniversary. Waller, 58, now lives on one of his Texas ranches with **Linda Bow**, 34, who worked on the ranches as a landscaper. Rachel Waller said, and her mother is living on one of two Texas ranches she received in the divorce. She said the decree prohibits her parents from talking to reporters about the divorce.

☐

David Duchovny is tired of having a long-distance relationship with his new wife. People magazine reports that the star of "The X-Files" has asked producers to move the show from Vancouver, British Columbia, where it has been filmed since 1993, to Los Angeles. **Tea Leoni**, his wife since May, tapes her sitcom, "The Naked Truth," in Los Angeles. **Chris Carter**, co-executive producer of "The X-Files," said there had been preliminary discussions about moving the show out of the Northwest.

☐

Dolph Lundgren, the "Universal Soldier" action star, is once again taking a good-guy role, in **John Woo's** next film, "Blackjack." "I was cast for the longest time as bad guys and now everyone seems to think of me as a good guy," says Lundgren. "Very honestly, I enjoy playing bad guys more. I wanted to ever since I was a child."

Agence France-Presse

HAT TRICK — Marcel Marceau in Munich performing his tale of a bowler hat and its owner.

☐

The members of the reggae-punk band **Sugar Ray** have yet to profit from their overnight success. Their hit "Fly" rose to No. 1 on Billboard's modern rock charts last month, but lead singer **Mark McGrath** still can't pay the bills. "You see yourself on MTV, and your record goes gold, and you're like, 'Wow! We're going to see some money.' And then you see that you owe the bank of Atlantic Records lots of dough," he said in Spin magazine. "I called my dad to borrow some money so that I could pay my pager bill. My $62 pager bill!"

☐

Pippi Longstocking has changed her hosiery and changed her ways, to the dismay of Swedish critics reviewing the new animated movie of the classic troublechild. "Pippi Longstocking," based on **Astrid Lindgren**'s books, is a Swedish-German-Canadian production aimed at spreading the popularity of the character who has delighted generations of kids. "Children are the ones who least of all need this new bubblegum-colored cartoon Pippi with its relentlessly smiling and toothless bite," grumbled **Eva af Geijerstam** in the newspaper Dagens Nyheter. Her complaints were echoed by **Astrid Soderbergh Widding** in Svenska Dagbladet, who also noted with displeasure that Pippi is now wearing modern hose. "Gone are the old, hopelessly antiquated garters with slipping-down stockings," she lamented.

Agence France-Presse

CHAIRWOMAN — A sculpture by Allen Jones at the 25th edition of the FIAC art fair in Paris, which has nearly 150 galleries showing this year.

هكذا من الأصل